
ENGROSSED SUBSTITUTE SENATE BILL 5034

State of Washington

63rd Legislature

2013 Regular Session

By Senate Ways & Means (originally sponsored by Senators Hill and Hargrove; by request of Governor Gregoire)

READ FIRST TIME 04/05/13.

1 AN ACT Relating to fiscal matters; amending RCW 2.68.020,
2 13.40.466, 18.04.105, 18.43.150, 18.71.315, 18.85.061, 19.28.351,
3 28B.15.069, 28B.67.030, 28B.105.110, 28C.04.535, 28C.10.082, 38.52.540,
4 41.26.802, 43.08.190, 43.09.475, 43.24.150, 43.71.030, 43.79.445,
5 43.79.480, 43.101.200, 43.155.050, 43.185.050, 46.66.080, 46.68.340,
6 70.42.090, 70.93.180, 70.119.150, 70.148.020, 74.09.215, 77.12.201,
7 77.12.203, 79.64.040, 82.08.160, 82.14.310, and 86.26.007; reenacting
8 and amending RCW 41.60.050, 41.80.010, 41.80.020, 43.325.040,
9 70.105D.070, and 79.105.150; amending 2012 2nd sp.s. c 7 ss 111, 112,
10 114, 115, 118, 121, 127, 129, 131, 132, 136, 139, 142, 144, 149, 201,
11 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 216, 218,
12 219, 220, 221, 302, 303, 307, 308, 311, 402, 501, 502, 503, 504, 505,
13 506, 507, 508, 509, 510, 512, 513, 514, 602, 613, 615, 616, 617, 701,
14 702, 707, 801, 802, 803, and 804 (uncodified); amending 2011 2nd sp.s.
15 c 9 ss 506, and 703 (uncodified); amending 2011 1st sp.s. c 50 s 804
16 (uncodified); amending 2011 1st sp.s. c 41 s 3 (uncodified); adding a
17 new section to 2011 1st sp.s. c 50 (uncodified); creating new sections;
18 repealing 2011 c 41 s 3 (uncodified); making appropriations; and
19 declaring an emergency.

20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

1 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
2 to the provisions set forth in the following sections, the several
3 amounts specified in parts I through IX of this act, or so much thereof
4 as shall be sufficient to accomplish the purposes designated, are
5 hereby appropriated and authorized to be incurred for salaries, wages,
6 and other expenses of the agencies and offices of the state and for
7 other specified purposes for the fiscal biennium beginning July 1,
8 2013, and ending June 30, 2015, except as otherwise provided, out of
9 the several funds of the state hereinafter named.

10 (2) Unless the context clearly requires otherwise, the definitions
11 in this section apply throughout this act.

12 (a) "Fiscal year 2014" or "FY 2014" means the fiscal year ending
13 June 30, 2014.

14 (b) "Fiscal year 2015" or "FY 2015" means the fiscal year ending
15 June 30, 2015.

16 (c) "FTE" means full time equivalent.

17 (d) "Lapse" or "revert" means the amount shall return to an
18 unappropriated status.

19 (e) "Provided solely" means the specified amount may be spent only
20 for the specified purpose. Unless otherwise specifically authorized in
21 this act, any portion of an amount provided solely for a specified
22 purpose which is not expended subject to the specified conditions and
23 limitations to fulfill the specified purpose shall lapse.

24 **PART I**
25 **GENERAL GOVERNMENT**

26 NEW SECTION. **Sec. 101. FOR THE HOUSE OF REPRESENTATIVES**

27	General Fund--State Appropriation (FY 2014)	\$30,246,000
28	General Fund--State Appropriation (FY 2015)	\$30,567,000
29	Motor Vehicle Account--State Appropriation	\$1,765,000
30	TOTAL APPROPRIATION	\$62,578,000

31 NEW SECTION. **Sec. 102. FOR THE SENATE**

32	General Fund--State Appropriation (FY 2014)	\$20,726,000
33	General Fund--State Appropriation (FY 2015)	\$23,021,000
34	Motor Vehicle Account--State Appropriation	\$1,514,000
35	TOTAL APPROPRIATION	\$45,261,000

1 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**

2 **COMMITTEE**

3 Performance Audits of Government Account--State

4	Appropriation	\$5,641,000
5	Accident Account--State Appropriation	\$332,000
6	Medical Aid Account--State Appropriation	\$332,000
7	TOTAL APPROPRIATION	\$6,305,000

8 The appropriations in this section are subject to the following
9 conditions and limitations:

10 (1) Notwithstanding the provisions of this section, the joint
11 legislative audit and review committee may adjust the due dates for
12 projects included on the committee's 2013-2015 work plan as necessary
13 to efficiently manage workload.

14 (2) \$332,000 of the medical aid account--state appropriation and
15 \$332,000 of the accident account--state appropriation are provided for
16 the purposes of chapter 37, Laws of 2011 1st sp. sess. (workers'
17 compensation).

18 (3) The committee shall conduct a study of how the fiscal note
19 process contributes to quality and accuracy in estimating the fiscal
20 impact of proposed legislation. The study will focus on comparing
21 processes to established cost estimating standards and reviewing the
22 processes used in other states.

23 (4) \$323,000 of the performance audits of government account--state
24 appropriation is provided for consultant and staff costs related to the
25 economic analysis of tax preferences as directed by chapter 43.136 RCW.

26 (5) The committee shall conduct a study of the current methods of
27 collecting legal financial obligations and compare those methods with
28 other debt collection methods, including contracting for debt
29 collection of legal financial obligations. The study shall include
30 analysis of the costs and revenues of current methods and compare those
31 to alternatives, and include analysis of the impact of current methods
32 and alternatives to revenues received by the state. Included shall be
33 an examination of costs and revenue generation before and after the
34 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,
35 Laws of 2005 (SSB 5256) and analysis of whether these changes met the
36 legislative goals of reducing costs and increasing collections. A
37 report on the results of the analysis shall be presented to the
38 appropriate committees of the legislature by December 2014.

1 (6) The committee shall conduct a study of economic development
2 programs and projects supported by the state general fund in the
3 department of commerce. The study shall first review the extent to
4 which these programs: (a) Included specific economic development
5 targets; (b) monitored economic development targets; (c) required for
6 programs which provided support or services through contracts, whether
7 the contracts were structured such that if economic development targets
8 were not met, contracts were reviewed or revised; and (d) changed the
9 economic development targets of associate development organizations
10 relative to funding increases since 2007. The study will include the
11 feasibility of determining how to isolate other factors, such as
12 general economic trends, from the impacts of economic development
13 programs. The costs and options for conducting future analysis of the
14 outcomes specific to economic development programs shall be included
15 and a briefing report shall be provided to the appropriate committees
16 of the legislature by December 1, 2013. A complete report with study
17 data and conclusions shall be provided to the appropriate committees of
18 the legislature by December 1, 2014.

19 (7) The committee shall analyze the incidence and level of taxation
20 and business incentives available to the financial services industry in
21 Washington State, and identify the relative differences in taxes and
22 business incentives compared to California. A report shall be provided
23 to the appropriate committees of the legislature by December 1, 2014.

24 (8) The committee shall conduct an analysis of how school districts
25 use school days. The analysis must include:

26 (a) How school districts define classroom time, nonclassroom time,
27 instructional time, noninstructional time, and any other definitions of
28 how the school day is divided or used;

29 (b) Estimates of time in each category;

30 (c) How noninstructional time is distributed over the annual number
31 of school days;

32 (d) When noninstructional hours occur;

33 (e) How noninstructional hours are used, including how much
34 noninstructional time is devoted to professional development for the
35 purposes of teacher and principal evaluation training or common core
36 state standards training; and

37 (f) The extent to which the use of each category of time is
38 identified or defined in collective bargaining agreements.

1 To the extent data is not available at the statewide level, the
2 committee may use case studies or other methods to conduct the
3 analysis. The committee shall submit a report of its findings to the
4 education committees of the legislature by December 1, 2014.

5 (9) The committee shall conduct a review of the programs and
6 services that are performed by state agencies to determine whether the
7 program or service may be performed by the private sector in a more
8 cost-efficient or effective manner than being performed by the agency.
9 In conducting this review, the committee shall:

10 (a) Examine the existing activities currently being performed by
11 state agencies, including but not limited to an examination of
12 services, for their performance, staffing, capital requirements, and
13 mission. Programs may be broken down into discrete services or
14 activities or reviewed as a whole; and

15 (b) Examine the activities to determine which specific services are
16 available in the marketplace and what potential for efficiency gains or
17 savings exist.

18 (10) The committee shall review funding enhancement formulas that
19 provide minimum staffing unit funding to small school districts and
20 districts with school plants that have been judged by the state board
21 of education to be remote and necessary. The committee will make an
22 assessment of the current formulas and report any recommended
23 adjustments to the legislative fiscal committees of the senate and the
24 house of representatives by November 1, 2014. In assessing the current
25 formulas, the committee may consider: Enhancements being made to basic
26 education funding in the 2013-2015 omnibus appropriations act and
27 committed to under Engrossed Substitute House Bill No. 2261 (chapter
28 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,
29 Laws of 2010); developments in technology or educational service
30 delivery since the formulas were established; practices in other
31 states; districts' ability to provide students with access to a program
32 of education; and inter-district equity.

33 (11) The committee shall conduct a study of the effectiveness of
34 the state agency performance indicators and performance measurement
35 process established in chapter 43.88 RCW, the state budget and
36 accounting act. The study will focus on the integration of performance
37 measurements into the state budgeting process and the ability of the
38 legislative fiscal committees to use effective performance indicators

1 in developing the state budget. The committee shall present its
2 findings and recommendations to the legislative fiscal committees in a
3 public hearing during the 2014 legislative session.

4 (12) By June 30, 2014, the committee shall conduct a study of the
5 electricity cost impacts for each qualifying utility to meet the 2016
6 and 2020 renewable resource and conservation targets under chapter
7 19.285 RCW. The study must also include an analysis of the impacts on
8 each utility's commercial, industrial, and residential customers,
9 including an additional analysis of the impacts on low-income
10 residential customers.

11 (13) In carrying out the report required by RCW 44.28.157, the
12 committee shall include an analysis of the impacts of using the
13 Washington health benefit exchange established in chapter 43.71 RCW as
14 a mechanism for providing health insurance for part-time certificated
15 and classified K-12 public school employees. The analysis shall be
16 conducted in coordination with the health care authority and shall
17 include a review of how the exchange, federal health premium tax
18 credits and subsidies for out-of-pocket expenses administered through
19 the exchange, and Medicaid expansion have impacted, or could impact,
20 health care costs for individuals, school districts, and the state.
21 The analysis shall also include a review of the cost of stand-alone
22 dental plans.

23 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
24 **ACCOUNTABILITY PROGRAM COMMITTEE**

25	General Fund--State Appropriation (FY 2014)	\$1,614,000
26	General Fund--State Appropriation (FY 2015)	\$1,773,000
27	TOTAL APPROPRIATION	\$3,387,000

28 NEW SECTION. **Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS**
29 **COMMITTEE**

30	General Fund--State Appropriation (FY 2014)	\$7,890,000
31	General Fund--State Appropriation (FY 2015)	\$7,773,000
32	TOTAL APPROPRIATION	\$15,663,000

33 NEW SECTION. **Sec. 106. FOR THE OFFICE OF THE STATE ACTUARY**

34	Department of Retirement Systems Expense Account--State	
35	Appropriation	\$3,330,000

1 NEW SECTION. **Sec. 107. FOR THE STATUTE LAW COMMITTEE**

2	General Fund--State Appropriation (FY 2014)	\$3,804,000
3	General Fund--State Appropriation (FY 2015)	\$4,014,000
4	TOTAL APPROPRIATION	\$7,818,000

5 NEW SECTION. **Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT**
6 **SERVICES**

7	General Fund--State Appropriation (FY 2014)	\$3,694,000
8	General Fund--State Appropriation (FY 2015)	\$3,700,000
9	TOTAL APPROPRIATION	\$7,394,000

10 NEW SECTION. **Sec. 109. LEGISLATIVE AGENCIES**

11 In order to achieve operating efficiencies within the financial
12 resources available to the legislative branch, the executive rules
13 committee of the house of representatives and the facilities and
14 operations committee of the senate by joint action may transfer funds
15 among the house of representatives, senate, joint legislative audit and
16 review committee, legislative evaluation and accountability program
17 committee, legislative transportation committee, office of the state
18 actuary, joint legislative systems committee, statute law committee,
19 office of legislative support services, and redistricting commission.

20 NEW SECTION. **Sec. 110. FOR THE SUPREME COURT**

21	General Fund--State Appropriation (FY 2014)	\$6,679,000
22	General Fund--State Appropriation (FY 2015)	\$6,616,000
23	TOTAL APPROPRIATION	\$13,295,000

24 NEW SECTION. **Sec. 111. FOR THE LAW LIBRARY**

25	General Fund--State Appropriation (FY 2014)	\$1,414,000
26	General Fund--State Appropriation (FY 2015)	\$1,403,000
27	TOTAL APPROPRIATION	\$2,817,000

28 NEW SECTION. **Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

29	General Fund--State Appropriation (FY 2014)	\$1,020,000
30	General Fund--State Appropriation (FY 2015)	\$947,000
31	TOTAL APPROPRIATION	\$1,967,000

1 NEW SECTION. **Sec. 113. FOR THE COURT OF APPEALS**

2	General Fund--State Appropriation (FY 2014)	\$15,012,000
3	General Fund--State Appropriation (FY 2015)	\$15,031,000
4	TOTAL APPROPRIATION	\$30,043,000

5 NEW SECTION. **Sec. 114. FOR THE ADMINISTRATOR FOR THE COURTS**

6	General Fund--State Appropriation (FY 2014)	\$40,601,000
7	General Fund--State Appropriation (FY 2015)	\$40,330,000
8	General Fund--Federal Appropriation	\$2,125,000
9	General Fund--Private/Local Appropriation	\$658,000
10	Judicial Stabilization Trust Account--State	
11	Appropriation	\$5,982,000
12	Judicial Information Systems Account--State	
13	Appropriation	\$52,330,000
14	TOTAL APPROPRIATION	\$142,026,000

15 The appropriations in this section are subject to the following
16 conditions and limitations:

17 (1) \$1,800,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$1,800,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for school districts for petitions
20 to juvenile court for truant students as provided in RCW 28A.225.030
21 and 28A.225.035. The administrator for the courts shall develop an
22 interagency agreement with the superintendent of public instruction to
23 allocate the funding provided in this subsection. Allocation of this
24 money to school districts shall be based on the number of petitions
25 filed. This funding includes amounts school districts may expend on
26 the cost of serving petitions filed under RCW 28A.225.030 by certified
27 mail or by personal service or for the performance of service of
28 process for any hearing associated with RCW 28A.225.030.

29 (2)(a) \$8,252,000 of the general fund--state appropriation for
30 fiscal year 2014 and \$8,253,000 of the general fund--state
31 appropriation for fiscal year 2015 are provided solely for distribution
32 to county juvenile court administrators to fund the costs of processing
33 truancy, children in need of services, and at-risk youth petitions.
34 The administrator for the courts, in conjunction with the juvenile
35 court administrators, shall develop an equitable funding distribution
36 formula. The formula shall neither reward counties with higher than

1 average per-petition processing costs nor shall it penalize counties
2 with lower than average per-petition processing costs.

3 (b) Each fiscal year during the 2013-2015 fiscal biennium, each
4 county shall report the number of petitions processed and the total
5 actual costs of processing truancy, children in need of services, and
6 at-risk youth petitions. Counties shall submit the reports to the
7 administrator for the courts no later than 45 days after the end of the
8 fiscal year. The administrator for the courts shall electronically
9 transmit this information to the chairs and ranking minority members of
10 the house of representatives and senate fiscal committees no later than
11 60 days after a fiscal year ends. These reports are deemed
12 informational in nature and are not for the purpose of distributing
13 funds.

14 (3) The distributions made under this subsection and distributions
15 from the county criminal justice assistance account made pursuant to
16 section 801 of this act constitute appropriate reimbursement for costs
17 for any new programs or increased level of service for purposes of RCW
18 43.135.060.

19 (4) \$540,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$540,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the office of public
22 guardianship to provide guardianship services for low-income
23 incapacitated persons.

24 (5) \$1,500,000 of the judicial information systems account--state
25 appropriation is provided solely to continue development and
26 implementation of the information networking hub.

27 (6) \$2,138,000 of the judicial information systems account--state
28 appropriation is provided solely to replace aged computer equipment and
29 update systems within the office of the administrator for the courts.

30 (7) \$1,199,000 of the judicial information systems account--state
31 appropriation is provided solely for replacing computer equipment at
32 state courts and state judicial agencies.

33 (8) \$333,000 of the judicial information systems account--state
34 appropriation is provided solely for the content management system for
35 the appellate courts.

36 NEW SECTION. **Sec. 115. FOR THE OFFICE OF PUBLIC DEFENSE**
37 General Fund--State Appropriation (FY 2014) \$32,331,000

1 General Fund--State Appropriation (FY 2015) \$32,265,000
 2 General Fund--Federal Appropriation \$152,000
 3 TOTAL APPROPRIATION \$64,748,000

4 **NEW SECTION. Sec. 116. FOR THE OFFICE OF CIVIL LEGAL AID**

5 General Fund--State Appropriation (FY 2014) \$10,088,000
 6 General Fund--State Appropriation (FY 2015) \$10,096,000
 7 TOTAL APPROPRIATION \$20,184,000

8 The appropriations in this section are subject to the following
 9 conditions and limitations: An amount not to exceed \$40,000 of the
 10 general fund--state appropriation for fiscal year 2012 and an amount
 11 not to exceed \$40,000 of the general fund--state appropriation for
 12 fiscal year 2013 may be used to provide telephonic legal advice and
 13 assistance to otherwise eligible persons who are sixty years of age or
 14 older on matters authorized by RCW 2.53.030(2) (a) through (k)
 15 regardless of household income or asset level.

16 **NEW SECTION. Sec. 117. FOR THE OFFICE OF THE GOVERNOR**

17 General Fund--State Appropriation (FY 2014) \$5,413,000
 18 General Fund--State Appropriation (FY 2015) \$5,175,000
 19 Economic Development Strategic Reserve Account--State
 20 Appropriation \$1,500,000
 21 TOTAL APPROPRIATION \$12,088,000

22 The appropriations in this section are subject to the following
 23 conditions and limitations: \$202,000 of the general fund--state
 24 appropriation for fiscal year 2014 is provided solely for
 25 implementation of Senate Bill No. 5802 (greenhouse gas emission
 26 targets). If the bill is not enacted by June 30, 2013, the amount
 27 provided in this subsection shall lapse.

28 **NEW SECTION. Sec. 118. FOR THE LIEUTENANT GOVERNOR**

29 General Fund--State Appropriation (FY 2014) \$653,000
 30 General Fund--State Appropriation (FY 2015) \$659,000
 31 General Fund--Private/Local Appropriation \$90,000
 32 TOTAL APPROPRIATION \$1,402,000

33 **NEW SECTION. Sec. 119. FOR THE PUBLIC DISCLOSURE COMMISSION**

34 General Fund--State Appropriation (FY 2014) \$2,063,000

1 General Fund--State Appropriation (FY 2015) \$1,995,000
 2 TOTAL APPROPRIATION \$4,058,000

3 NEW SECTION. **Sec. 120. FOR THE SECRETARY OF STATE**

4 General Fund--State Appropriation (FY 2014) \$10,340,000
 5 General Fund--State Appropriation (FY 2015) \$9,261,000
 6 General Fund--Federal Appropriation \$7,411,000
 7 Public Records Efficiency, Preservation and Access
 8 Account--State Appropriation \$7,343,000
 9 Charitable Organization Education Account--State
 10 Appropriation \$364,000
 11 Washington State Heritage Center Account--State
 12 Appropriation \$8,860,000
 13 Local Government Archives Account--State Appropriation . . . \$8,471,000
 14 Election Account--Federal Appropriation \$12,021,000
 15 TOTAL APPROPRIATION \$64,071,000

16 The appropriations in this section are subject to the following
 17 conditions and limitations:

18 (1) \$1,847,000 of the general fund--state appropriation for fiscal
 19 year 2014 and \$1,925,000 of the general fund--state appropriation for
 20 fiscal year 2015 are provided solely for contracting with a nonprofit
 21 organization to produce gavel-to-gavel television coverage of state
 22 government deliberations and other events of statewide significance
 23 during the 2013-2015 biennium. The funding level for each year of the
 24 contract shall be based on the amount provided in this subsection. The
 25 nonprofit organization shall be required to raise contributions or
 26 commitments to make contributions, in cash or in kind, in an amount
 27 equal to forty percent of the state contribution. The office of the
 28 secretary of state may make full or partial payment once all criteria
 29 in this subsection have been satisfactorily documented.

30 (a) The legislature finds that the commitment of on-going funding
 31 is necessary to ensure continuous, autonomous, and independent coverage
 32 of public affairs. For that purpose, the secretary of state shall
 33 enter into a contract with the nonprofit organization to provide public
 34 affairs coverage.

35 (b) The nonprofit organization shall prepare an annual independent
 36 audit, an annual financial statement, and an annual report, including

1 benchmarks that measure the success of the nonprofit organization in
2 meeting the intent of the program.

3 (c) No portion of any amounts disbursed pursuant to this subsection
4 may be used, directly or indirectly, for any of the following purposes:

5 (i) Attempting to influence the passage or defeat of any
6 legislation by the legislature of the state of Washington, by any
7 county, city, town, or other political subdivision of the state of
8 Washington, or by the congress, or the adoption or rejection of any
9 rule, standard, rate, or other legislative enactment of any state
10 agency;

11 (ii) Making contributions reportable under chapter 42.17 RCW; or

12 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
13 lodging, meals, or entertainment to a public officer or employee.

14 (2) It is the intent of the legislature to consider during the 2014
15 legislative session funding for the publication and distribution of a
16 primary election voters pamphlet.

17 (3) \$1,543,000 of the general fund--state appropriation for fiscal
18 year 2015 is provided solely for the state library to purchase
19 statewide on-line access to the information technology academy to allow
20 public access to on-line courses and learning resources through public
21 libraries.

22 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**
23 **AFFAIRS**

24	General Fund--State Appropriation (FY 2014)	\$251,000
25	General Fund--State Appropriation (FY 2015)	\$248,000
26	TOTAL APPROPRIATION	\$499,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: The office shall assist the department of
29 enterprise services on providing the government-to-government training
30 sessions for federal, state, local, and tribal government employees.
31 The training sessions shall cover tribal historical perspectives, legal
32 issues, tribal sovereignty, and tribal governments. Costs of the
33 training sessions shall be recouped through a fee charged to the
34 participants of each session. The department of enterprise services
35 shall be responsible for all of the administrative aspects of the
36 training, including the billing and collection of the fees for the
37 training.

1	General Fund--State Appropriation (FY 2015)	\$9,555,000
2	General Fund--Federal Appropriation	\$7,114,000
3	New Motor Vehicle Arbitration Account--State	
4	Appropriation	\$991,000
5	Medicaid Fraud Penalty Account--State Appropriation	\$2,279,000
6	Legal Services Revolving Account--State Appropriation	\$190,831,000
7	Public Service Revolving Account--State Appropriation	\$2,093,000
8	Tobacco Prevention and Control Account--State	
9	Appropriation	\$271,000
10	TOTAL APPROPRIATION	\$222,621,000

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1) The attorney general shall report each fiscal year on actual
14 legal services expenditures and actual attorney staffing levels for
15 each agency receiving legal services. The report shall be submitted to
16 the office of financial management and the fiscal committees of the
17 senate and house of representatives no later than ninety days after the
18 end of each fiscal year. As part of its by agency report to the
19 legislative fiscal committees and the office of financial management,
20 the office of the attorney general shall include information detailing
21 the agency's expenditures for its agency-wide overhead and a breakdown
22 by division of division administration expenses.

23 (2) Prior to entering into any negotiated settlement of a claim
24 against the state that exceeds five million dollars, the attorney
25 general shall notify the director of financial management and the
26 chairs of the senate committee on ways and means and the house of
27 representatives committee on ways and means.

28 (3) The attorney general shall annually report to the fiscal
29 committees of the legislature all new *cy pres* awards and settlements
30 and all new accounts, disclosing their intended uses, balances, the
31 nature of the claim or account, proposals, and intended timeframes for
32 the expenditure of each amount. The report shall be distributed
33 electronically and posted on the attorney general's web site. The
34 report shall not be printed on paper or distributed physically.

35 (4) \$2,093,000 of the public service revolving account--state
36 appropriation is provided solely for the work of the public counsel
37 section of the office of the attorney general.

1 NEW SECTION. **Sec. 127. FOR THE CASELOAD FORECAST COUNCIL**

2	General Fund--State Appropriation (FY 2014)	\$1,252,000
3	General Fund--State Appropriation (FY 2015)	\$1,222,000
4	TOTAL APPROPRIATION	\$2,474,000

5 NEW SECTION. **Sec. 128. FOR THE DEPARTMENT OF COMMERCE**

6	General Fund--State Appropriation (FY 2014)	\$34,909,000
7	General Fund--State Appropriation (FY 2015)	\$35,435,000
8	General Fund--Federal Appropriation	\$264,934,000
9	General Fund--Private/Local Appropriation	\$5,609,000
10	Public Works Assistance Account--State Appropriation	\$3,025,000
11	Drinking Water Assistance Administrative Account--State	
12	Appropriation	\$442,000
13	Lead Paint Account--State Appropriation	\$147,000
14	Building Code Council Account--State Appropriation	\$13,000
15	Home Security Fund Account--State Appropriation	\$29,029,000
16	Affordable Housing for All Account--State	
17	Appropriation	\$13,701,000
18	Financial Fraud and Identity Theft Crimes Investigation	
19	and Prosecution Account--State Appropriation	\$969,000
20	Low-Income Weatherization and Structural Rehabilitation	
21	Assistance Account--State Appropriation	\$1,881,000
22	Washington Community Technology Opportunity	
23	Account--Private/Local Appropriation	\$10,000
24	Community and Economic Development Fee Account--State	
25	Appropriation	\$5,298,000
26	Liquor Revolving Account--State Appropriation	\$5,605,000
27	Washington Housing Trust Account--State Appropriation	\$17,559,000
28	Prostitution Prevention and Intervention Account--State	
29	Appropriation	\$26,000
30	Public Facility Construction Loan Revolving	
31	Account--State Appropriation	\$759,000
32	TOTAL APPROPRIATION	\$419,351,000

33 The appropriations in this section are subject to the following
34 conditions and limitations:

35 (1) Repayments of outstanding mortgage and rental assistance
36 program loans administered by the department under RCW 43.63A.640 shall
37 be remitted to the department, including any current revolving account

1 balances. The department shall collect payments on outstanding loans,
2 and deposit them into the state general fund. Repayments of funds owed
3 under the program shall be remitted to the department according to the
4 terms included in the original loan agreements.

5 (2) The department shall administer its growth management act
6 technical assistance and pass-through grants so that smaller cities and
7 counties receive proportionately more assistance than larger cities or
8 counties. Grants shall only be used for purposes of administering the
9 requirements of the growth management act.

10 (3) The department is authorized to require an applicant to pay an
11 application fee to cover the cost of reviewing the project and
12 preparing an advisory opinion on whether a proposed electric generation
13 project or conservation resource qualifies to meet mandatory
14 conservation targets.

15 (4) \$25,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$25,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the economic impact and
18 infrastructure cost study for Covington town center.

19 (5) \$5,298,000 of the community and economic development fee
20 account--state appropriation is provided solely for services to
21 homeless families through the Washington families fund.

22 (6) During the 2013-2015 fiscal biennium, the department shall
23 consider an associate development organization's total resources when
24 making contracting and fund allocation decisions, in addition to the
25 schedule provided in RCW 43.330.086, and shall direct resources to
26 limit the fiscal impact to associate development organizations where
27 the state resources comprise 20 percent or more of the organization's
28 budget for the previous two years.

29 (7) \$375,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$375,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely as pass-through funding to Walla
32 Walla Community College for its water and environmental center.

33 (8) The department, in consultation with the Washington state
34 association of counties, is to provide ongoing analysis and assessment
35 of information related to county fiscal health, and to annually assess
36 the fiscal impacts on counties arising from selected laws enacted in
37 the preceding five-year period. The assessments shall evaluate the
38 effect of laws in the context of existing county fiscal health,

1 including impacts on counties identified as fiscally distressed, and
 2 the extent to which the bills' fiscal impacts were fully described in
 3 local government fiscal notes prepared by the department. The
 4 department may include recommendations of ways to improved state data
 5 systems related to county fiscal health and the local government fiscal
 6 note process. Assessments shall be transmitted annually to the
 7 appropriate committees of the legislature and the office of financial
 8 management.

9 (9) \$200,000 of the general fund--state appropriation is provided
 10 solely for the Washington tourism alliance for web site maintenance
 11 and/or development.

12 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**
 13 **COUNCIL**

14	General Fund--State Appropriation (FY 2014)	\$760,000
15	General Fund--State Appropriation (FY 2015)	\$799,000
16	Lottery Administrative Account--State Appropriation	\$50,000
17	TOTAL APPROPRIATION	\$1,609,000

18 NEW SECTION. **Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

19	General Fund--State Appropriation (FY 2014)	\$15,672,000
20	General Fund--State Appropriation (FY 2015)	\$15,454,000
21	General Fund--Federal Appropriation	\$31,342,000
22	General Fund--Private/Local Appropriation	\$370,000
23	Economic Development Strategic Reserve Account--State	
24	Appropriation	\$289,000
25	Personnel Service Account--State Appropriation	\$8,629,000
26	Data Processing Revolving Account--State Appropriation	\$6,243,000
27	Higher Education Personnel Services Account--State	
28	Appropriation	\$1,497,000
29	Performance Audits of Government Account--State	
30	Appropriation	\$4,400,000
31	TOTAL APPROPRIATION	\$83,896,000

32 The appropriations in this section are subject to the following
 33 conditions and limitations:

34 (1) The legislature intends to review for purchase parcel number
 35 one and surrounding property on McNeil Island. The office of financial

1 management shall coordinate with the federal government to obtain an
2 appraisal determining the fair market value and shall provide an
3 estimate to the legislative fiscal committees by October 1, 2013.

4 (2) \$175,000 of the general fund--state appropriation for fiscal
5 year 2014 is provided solely for implementation of Senate Bill No. 5802
6 (greenhouse gas emission targets). If the bill is not enacted by June
7 30, 2013, the amount provided in this subsection shall lapse.

8 NEW SECTION. **Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

9 Administrative Hearings Revolving Account--State

10 Appropriation \$37,749,000

11 NEW SECTION. **Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

12 Lottery Administrative Account--State Appropriation \$25,594,000

13 The appropriation in this section is subject to the following
14 conditions and limitations: \$596,000 of the lottery administrative
15 account--state appropriation is provided solely for the replacement of
16 the lottery's gaming systems vendor contract.

17 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

18 General Fund--State Appropriation (FY 2014) \$236,000

19 General Fund--State Appropriation (FY 2015) \$234,000

20 TOTAL APPROPRIATION \$470,000

21 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**
22 **AFFAIRS**

23 General Fund--State Appropriation (FY 2014) \$232,000

24 General Fund--State Appropriation (FY 2015) \$224,000

25 TOTAL APPROPRIATION \$456,000

26 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS**
27 **OPERATIONS**

28 Department of Retirement Systems Expense Account--State

29 Appropriation \$52,683,000

30 The appropriation in this section is subject to the following
31 conditions and limitations: \$2,250,000 of the department of retirement
32 systems expense account--state appropriation is provided solely for

1 implementation of Substitute Senate Bill No. 5851 (defined contribution
2 plan option). If the bill is not enacted by June 30, 2013, the amount
3 provided in this subsection shall lapse.

4 **NEW SECTION. Sec. 136. FOR THE DEPARTMENT OF REVENUE**

5	General Fund--State Appropriation (FY 2014)	\$105,725,000
6	General Fund--State Appropriation (FY 2015)	\$110,126,000
7	Timber Tax Distribution Account--State Appropriation	\$6,079,000
8	Master License Account--State Appropriation	\$19,127,000
9	Waste Reduction/Recycling/Litter Control--State	
10	Appropriation	\$132,000
11	State Toxics Control Account--State Appropriation	\$91,000
12	TOTAL APPROPRIATION	\$241,280,000

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) Pursuant to RCW 43.135.055, the department is authorized to
16 increase the master application fee and the fee for renewal of the
17 master application in RCW 19.02.075, to an amount necessary to fund the
18 appropriations in the master license account but not to exceed the
19 statutory maximums.

20 (2) If the department finds that the funds appropriated in the
21 master license account are insufficient to complete the authorized
22 funding of the business licensing system replacement, the department
23 may enter into a financial contract to reduce the current cost of the
24 project, payable only from the master license account.

25 (3) \$113,000 of the general fund--state appropriation for fiscal
26 year 2014 is provided solely for the implementation of Engrossed Second
27 Substitute Senate Bill No. 5688 (concerning state and local tax
28 systems). If the bill is not enacted by June 30, 2013, the amount
29 provided in this subsection shall lapse.

30 (4) \$2,060,000 of the master license account--state appropriation
31 is for the implementation of Engrossed Substitute Senate Bill No. 5656
32 (revising business licensing systems). If the bill is not enacted by
33 June 30, 2013, the amount provided in this subsection shall lapse.

34 **NEW SECTION. Sec. 137. FOR THE BOARD OF TAX APPEALS**

35	General Fund--State Appropriation (FY 2014)	\$1,209,000
36	General Fund--State Appropriation (FY 2015)	\$1,171,000

1 TOTAL APPROPRIATION \$2,380,000

2 NEW SECTION. **Sec. 138. FOR THE OFFICE OF MINORITY AND WOMEN'S**
3 **BUSINESS ENTERPRISES**

4 OMWBE Enterprises Account--State Appropriation \$4,090,000

5 NEW SECTION. **Sec. 139. FOR THE INSURANCE COMMISSIONER**

6 General Fund--State Appropriation (FY 2014) \$150,000

7 General Fund--State Appropriation (FY 2015) \$150,000

8 General Fund--Federal Appropriation \$4,492,000

9 Insurance Commissioners Regulatory Account--State
10 Appropriation \$49,869,000

11 TOTAL APPROPRIATION \$54,661,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) \$1,209,000 of the insurance commissioner's regulatory account--
15 state appropriation is provided solely for implementation of Second
16 Substitute Senate Bill No. 5540 (out-of-state health insurance plans).
17 If the bill is not enacted by June 30, 2013, the amount provided in
18 this subsection shall lapse.

19 (2) \$758,000 of the insurance commissioner's regulatory account--
20 state appropriation is provided solely for implementation of Substitute
21 Senate Bill No. 5605 (association health insurance plans). If the bill
22 is not enacted by June 30, 2013, the amount provided in this subsection
23 shall lapse.

24 NEW SECTION. **Sec. 140. FOR THE STATE INVESTMENT BOARD**

25 State Investment Board Expense Account--State
26 Appropriation \$32,078,000

27 NEW SECTION. **Sec. 141. FOR THE LIQUOR CONTROL BOARD**

28 General Fund--Federal Appropriation \$945,000

29 General Fund--Private/Local Appropriation \$25,000

30 Liquor Revolving Account--State Appropriation \$63,852,000

31 TOTAL APPROPRIATION \$64,822,000

32 The appropriations in this section are subject to the following
33 conditions and limitations:

1 (1) Within the amounts appropriated in this section from the liquor
2 revolving account--state appropriation, up to \$2,494,000 may be used
3 during the 2013-2015 fiscal biennium by the liquor control board to
4 implement Initiative Measure No. 502.

5 (2)(a) The liquor control board must work with the department of
6 health and the department of revenue to develop recommendations for the
7 legislature regarding the interaction of medical marijuana regulations
8 and the provisions of Initiative Measure No. 502. At a minimum, the
9 recommendations must include provisions addressing the following:

- 10 (i) Age limits;
- 11 (ii) Authorizing requirements for medical marijuana;
- 12 (iii) Regulations regarding health care professionals;
- 13 (iv) Collective gardens;
- 14 (v) Possession amounts;
- 15 (vi) Location requirements;
- 16 (vii) Requirements for medical marijuana producing, processing, and
17 retail licensing; and
- 18 (viii) Taxation of medical marijuana in relation to recreational
19 marijuana.

20 (b) The board must submit its recommendations to the appropriate
21 committees of the legislature by January 1, 2014.

22 **NEW SECTION. Sec. 142. FOR THE UTILITIES AND TRANSPORTATION**
23 **COMMISSION**

24	General Fund--Federal Appropriation	\$150,000
25	General Fund--Private/Local Appropriation	\$11,224,000
26	Public Service Revolving Account--State Appropriation	\$29,627,000
27	Pipeline Safety Account--State Appropriation	\$4,480,000
28	Pipeline Safety Account--Federal Appropriation	\$1,932,000
29	TOTAL APPROPRIATION	\$47,413,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: Up to \$200,000 of the total appropriation
32 is provided for the commission to continue to evaluate the regulatory
33 processes for energy companies and identify and implement
34 administrative actions to improve those processes. The commission
35 shall develop and adopt a schedule for such administrative actions.

1 NEW SECTION. **Sec. 143. FOR THE MILITARY DEPARTMENT**

2	General Fund--State Appropriation (FY 2014)	\$1,763,000
3	General Fund--State Appropriation (FY 2015)	\$1,699,000
4	General Fund--Federal Appropriation	\$140,082,000
5	Enhanced 911 Account--State Appropriation	\$58,510,000
6	Disaster Response Account--State Appropriation	\$13,640,000
7	Disaster Response Account--Federal Appropriation	\$53,253,000
8	Military Department Rent and Lease Account--State	
9	Appropriation	\$615,000
10	Worker and Community Right-to-Know Account--State	
11	Appropriation	\$2,793,000
12	TOTAL APPROPRIATION	\$272,355,000

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) \$13,640,000 of the disaster response account--state
16 appropriation and \$53,253,000 of the disaster response account--federal
17 appropriation may be spent only on disasters declared by the governor
18 and with the approval of the office of financial management. The
19 military department shall submit a report to the office of financial
20 management and the legislative fiscal committees on October 1st and
21 February 1st of each year detailing information on the disaster
22 response account, including: (a) The amount and type of deposits into
23 the account; (b) the current available fund balance as of the reporting
24 date; and (c) the projected fund balance at the end of the 2013-2015
25 biennium based on current revenue and expenditure patterns.

26 (2) \$75,000,000 of the general fund--federal appropriation is
27 provided solely for homeland security, subject to the following
28 conditions:

29 (a) Any communications equipment purchased by local jurisdictions
30 or state agencies shall be consistent with standards set by the
31 Washington state interoperability executive committee; and

32 (b) The department shall submit an annual report to the office of
33 financial management and the legislative fiscal committees detailing
34 the governor's domestic security advisory group recommendations;
35 homeland security revenues and expenditures, including estimates of
36 total federal funding for the state; and incremental changes from the
37 previous estimate.

1 NEW SECTION. **Sec. 148. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

2	General Fund--State Appropriation (FY 2014)	\$3,609,000
3	General Fund--State Appropriation (FY 2015)	\$3,595,000
4	Building Code Council Account--State Appropriation	\$860,000
5	TOTAL APPROPRIATION	\$8,064,000

6 The appropriations in this section are subject to the following
7 conditions and limitations:

8 (1) \$3,287,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$3,286,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the payment of facilities and
11 services charges, utilities and contracts charges, public and historic
12 facilities charges, and capital projects surcharges allocable to the
13 senate, house of representatives, statute law committee, legislative
14 support services, and joint legislative systems committee. The
15 department shall allocate charges attributable to these agencies among
16 the affected revolving funds. The department shall maintain an
17 interagency agreement with these agencies to establish performance
18 standards, prioritization of preservation and capital improvement
19 projects, and quality assurance provisions for the delivery of services
20 under this subsection. The legislative agencies named in this
21 subsection shall continue to enjoy all of the same rights of occupancy
22 and space use on the capitol campus as historically established.

23 (2) In accordance with RCW 46.08.172 and 43.135.055, the department
24 is authorized to increase parking fees in fiscal years 2014 and 2015 as
25 necessary to meet the actual costs of conducting business.

26 (3) From the fee charged to master contract vendors, the department
27 shall transfer to the office of minority and women's business
28 enterprises in equal monthly installments \$1,513,000 in fiscal year
29 2014 and \$1,514,000 in fiscal year 2015.

30 (4) The budget for the department of enterprise services is
31 adjusted to reflect a twenty percent reduction in the rent charged to
32 the Olympia-Lacey-Tumwater visitor and convention bureau to reflect the
33 service provided for continued operation of the capitol campus visitor
34 center.

35 (5) The building code council account appropriation is provided
36 solely for the operation of the state building code council as required
37 by statute and modified by the standards established by executive order
38 10-06. The council shall not consider any proposed code amendment or

1 take any other action not authorized by statute or in compliance with
2 the standards established in executive order 10-06. No member of the
3 council may receive compensation, per diem, or reimbursement for
4 activities other than physical attendance at those meetings of the
5 state building code council or the council's designated committees, at
6 which the opportunity for public comment is provided generally and on
7 all agenda items upon which the council proposes to take action. The
8 building code council shall comply with chapter 19.85 RCW known as the
9 regulatory fairness act, by including with all proposed substantial
10 code amendments an analysis addressing cost effectiveness, net
11 benefits, payback periods, and life-cycle costs.

12 NEW SECTION. **Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
13 Volunteer Firefighters' and Reserve Officers' Administrative
14 Account--State Appropriation \$1,054,000

15 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
16 **HISTORIC PRESERVATION**
17 General Fund--State Appropriation (FY 2014) \$1,291,000
18 General Fund--State Appropriation (FY 2015) \$1,239,000
19 General Fund--Federal Appropriation \$1,937,000
20 General Fund--Private/Local Appropriation \$14,000
21 TOTAL APPROPRIATION \$4,481,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: Within the amounts appropriated in this
24 section, the department shall report the following data on the survey
25 and inventory processes to the appropriate policy and fiscal committees
26 of the legislature on December 1, 2013, and December 1, 2014: The
27 number of survey and inventory processes, by month, required under
28 state and federal laws and implemented by the department; the number,
29 by month, of resources or records reported pursuant to the survey and
30 inventory processes; the distance that such resources or records were
31 located within the area of potential effect, measured from the proposed
32 construction activity; the cost of compliance, by each survey and
33 inventory process, that is incurred by each person submitting the
34 information and forms required by the processes; and any identifiable
35 costs to local governments implementing the survey and inventory
36 processes.

1	<u>NEW SECTION.</u> Sec. 151. FOR INNOVATE WASHINGTON	
2	General Fund--State Appropriation (FY 2014)	\$500,000
3	General Fund--State Appropriation (FY 2015)	\$500,000
4	TOTAL APPROPRIATION	\$1,000,000

(End of part)

1 under sections 204, 206, 208, and 213 of this act as may be necessary
2 to finance a unified health care plan for the WMIP and the MICP program
3 enrollment. The WMIP pilot projects shall not exceed a daily
4 enrollment of 6,000 persons, nor expand beyond one county during the
5 2013-2015 fiscal biennium. The amount of funding assigned from each
6 program may not exceed the average per capita cost assumed in this act
7 for individuals covered by that program, actuarially adjusted for the
8 health condition of persons enrolled, times the number of clients
9 enrolled. In implementing the WMIP and the MICP, the health care
10 authority and the department may: (i) Withhold from calculations of
11 "available resources" as set forth in RCW 71.24.025 a sum equal to the
12 capitated rate for enrolled individuals; and (ii) employ capitation
13 financing and risk-sharing arrangements in collaboration with health
14 care service contractors licensed by the office of the insurance
15 commissioner and qualified to participate in both the medicaid and
16 medicare programs.

17 (b) If Washington is selected to participate in a financial
18 capitation model of the federal demonstration project for persons
19 dually-eligible for both medicare and medicaid, the department and the
20 authority may initiate the MICP. Participation in the project shall be
21 limited to persons who are eligible for both medicare and medicaid and
22 to counties in which the county legislative authority has agreed to the
23 terms and conditions under which it will operate. The purpose of the
24 project shall be to demonstrate and evaluate ways to improve care while
25 reducing state expenditures for persons enrolled both in medicare and
26 medicaid. To that end, prior to initiating the project, the department
27 and the authority shall assure that state expenditures shall be no
28 greater on either a per person or total basis than the state would
29 otherwise incur. Individuals who are solely eligible for medicaid may
30 also participate if their participation is agreed to by the health care
31 authority, the department, and the county legislative authority.

32 (4) The legislature finds that medicaid payment rates, as
33 calculated by the department pursuant to the appropriations in this
34 act, bear a reasonable relationship to the costs incurred by
35 efficiently and economically operated facilities for providing quality
36 services and will be sufficient to enlist enough providers so that care
37 and services are available to the extent that such care and services
38 are available to the general population in the geographic area. The

1 legislature finds that cost reports, payment data from the federal
2 government, historical utilization, economic data, and clinical input
3 constitute reliable data upon which to determine the payment rates.

4 (5) The department shall to the maximum extent practicable use the
5 same system for delivery of spoken-language interpreter services for
6 social services appointments as the one established for medical
7 appointments in section 213 of this act. When contracting directly
8 with an individual to deliver spoken language interpreter services, the
9 department shall only contract with language access providers who are
10 working at a location in the state and who are state-certified or
11 state-authorized, except that when such a provider is not available,
12 the department may use a language access provider who meets other
13 certifications or standards deemed to meet state standards, including
14 interpreters in other states.

15 (6)(a) The appropriations to the department of social and health
16 services in this act shall be expended for the programs and in the
17 amounts specified in this act. However, after May 1, 2014, unless
18 specifically prohibited by this act, the department may transfer
19 general fund--state appropriations for fiscal year 2014 among programs
20 after approval by the director of financial management. However, the
21 department shall not transfer state moneys that are provided solely for
22 a specified purpose except as expressly provided in (b) of this
23 subsection.

24 (b) To the extent that transfers under (a) of this subsection are
25 insufficient to fund actual expenditures in excess of fiscal year 2014
26 caseload forecasts and utilization assumptions in the long-term care,
27 foster care, adoptions support, medicaid personal care, and child
28 support programs, the department may transfer state moneys that are
29 provided solely for a specified purpose. The department shall not
30 transfer funds, and the director of financial management shall not
31 approve the transfer, unless the transfer is consistent with the
32 objective of conserving, to the maximum extent possible, the
33 expenditure of state funds. The director of financial management shall
34 notify the appropriate fiscal committees of the senate and house of
35 representatives in writing seven days prior to approving any allotment
36 modifications or transfers under this subsection. The written
37 notification shall include a narrative explanation and justification of

1 the changes, along with expenditures and allotments by budget unit and
2 appropriation, both before and after any allotment modifications or
3 transfers.

4 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

6	General Fund--State Appropriation (FY 2014)	\$290,527,000
7	General Fund--State Appropriation (FY 2015)	\$288,232,000
8	General Fund--Federal Appropriation	\$484,432,000
9	General Fund--Private/Local Appropriation	\$1,354,000
10	Domestic Violence Prevention Account--State	
11	Appropriation	\$1,240,000
12	Education Legacy Trust Account--State Appropriation	\$725,000
13	Home Security Fund Account--State Appropriation	\$10,741,000
14	Child and Family Reinvestment Account--State	
15	Appropriation	\$4,979,000
16	TOTAL APPROPRIATION	\$1,082,230,000

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) Within amounts provided for the foster care and adoption
20 support programs, the department shall control reimbursement decisions
21 for foster care and adoption support cases such that the aggregate
22 average cost per case for foster care and for adoption support does not
23 exceed the amounts assumed in the projected caseload expenditures.

24 (2) \$668,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$668,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely to contract for the operation of
27 one pediatric interim care center. The center shall provide
28 residential care for up to thirteen children through two years of age.
29 Seventy-five percent of the children served by the center must be in
30 need of special care as a result of substance abuse by their mothers.
31 The center shall also provide on-site training to biological, adoptive,
32 or foster parents. The center shall provide at least three months of
33 consultation and support to the parents accepting placement of children
34 from the center. The center may recruit new and current foster and
35 adoptive parents for infants served by the center. The department
36 shall not require case management as a condition of the contract.

1 (3)(a) \$22,695,000 of the general fund--state appropriation for
2 fiscal year 2014, \$22,695,000 of the general fund--state appropriation
3 for fiscal year 2015, and \$28,450,000 of the general fund--federal
4 appropriation are provided solely for services for children and
5 families. Prior to approval of contract services pursuant to RCW
6 74.13B.020, the amounts provided in this section shall be allotted on
7 a monthly basis and expenditures shall not exceed allotments based on
8 a three-month rolling average without approval of the office of
9 financial management following notification to the legislative fiscal
10 committees.

11 (b) The department shall provide these services to safely reduce
12 the number of children in out-of-home care, the time spent in out-of-
13 home care prior to achieving permanency, and the number of children
14 returning to out-of-home care following permanency.

15 (4) \$76,000 of the general fund--state appropriation for fiscal
16 year 2014, \$77,000 of the general fund--state appropriation for fiscal
17 year 2015, \$656,000 of the general fund--private/local appropriation,
18 \$253,000 of the general fund--federal appropriation, and \$725,000 of
19 the education legacy trust account--state appropriation are provided
20 solely for children's administration to contract with an educational
21 advocacy provider with expertise in foster care educational outreach.
22 The amounts in this subsection are provided solely for contracted
23 education coordinators to assist foster children in succeeding in K-12
24 and higher education systems and to assure a focus on education during
25 the transition to performance based contracts. Funding shall be
26 prioritized to regions with high numbers of foster care youth and/or
27 regions where backlogs of youth that have formerly requested
28 educational outreach services exist. The department shall use private
29 matching funds to maintain educational advocacy services.

30 (5) \$670,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$670,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for services provided through
33 children's advocacy centers.

34 (6) \$579,000 of the general fund--state appropriation for fiscal
35 year 2014, \$579,000 of the general fund--state appropriation for fiscal
36 year 2015, and \$109,000 of the general fund--federal appropriation are
37 provided solely for a receiving care center east of the Cascade
38 mountains.

1 (7) \$250,000 of the general fund--state appropriation for fiscal
2 year 2014, \$250,000 of the general fund--state appropriation for fiscal
3 year 2015, \$5,239,000 of the general fund--federal appropriation, and
4 \$4,741,000 of the child and family reinvestment account--state
5 appropriation are provided solely for services to children and families
6 pursuant to RCW 26.44.270. Upon approval of contract services pursuant
7 to RCW 74.13B.020, these funds will be contracted for using
8 performance-based contracts.

9 (8) To ensure expenditures remain within available funds
10 appropriated in this section as required by RCW 74.13A.005 and
11 74.13A.020, the secretary shall not set the amount of any adoption
12 assistance payment or payments, made pursuant to RCW 26.33.320 and
13 74.13A.005 through 74.13A.080, to more than fifty percent of the foster
14 care maintenance payment for that child had he or she remained in a
15 foster family home during the same period, if that child is not
16 considered to have any special needs. This subsection does not apply
17 to adoption assistance agreements in existence on the effective date of
18 this section.

19 (9) \$10,741,000 of the home security fund--state appropriation is
20 provided solely for the department to contract for services pursuant to
21 RCW 13.32A.030 and 74.15.220. The department shall contract and
22 collaborate with service providers in a manner that maintains the
23 availability and geographic representation of secure and semi-secure
24 crisis residential centers and HOPE centers. To achieve efficiencies
25 and increase utilization, the department shall allow the co-location of
26 these centers, except that a youth may not be placed in a secure
27 facility or the secure portion of a co-located facility except as
28 specifically authorized by chapter 13.32A RCW. The reductions to
29 appropriations in this subsection related to semi-secure crisis
30 residential centers reflect a reduction to the number of beds for semi-
31 secure crisis residential centers and not a reduction in rates. Any
32 secure crisis residential center or semi-secure crisis residential
33 center bed reduction shall not be based solely upon bed utilization.
34 The department is to exercise its discretion in reducing the number of
35 beds but to do so in a manner that maintains availability and
36 geographic representation of semi-secure and secure crisis residential
37 centers.

1 (10) \$1,173,000 of the general fund--state appropriation for fiscal
2 year 2014, \$1,907,000 of the general fund--state appropriation for
3 fiscal year 2015, and \$939,000 of the general fund--federal
4 appropriation are provided solely for implementation of Engrossed
5 Second Substitute Senate Bill No. 5405 (extended foster care). If the
6 bill is not enacted by June 30, 2013, the amounts provided in this
7 subsection shall lapse.

8 (11) \$50,000 of the general fund--state appropriation for fiscal
9 year 2014, and \$50,000 of the general fund--state appropriation for
10 fiscal year 2015, and \$256,000 of the general fund--federal
11 appropriation are provided solely for implementation of Substitute
12 Senate Bill No. 5315 (Powell fatality team). If the bill is not
13 enacted by June 30, 2013, the amounts provided in this subsection shall
14 lapse.

15 NEW SECTION. **Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
16 **SERVICES--JUVENILE REHABILITATION PROGRAM**

17	General Fund--State Appropriation (FY 2014)	\$87,760,000
18	General Fund--State Appropriation (FY 2015)	\$88,127,000
19	General Fund--Federal Appropriation	\$694,000
20	General Fund--Private/Local Appropriation	\$1,914,000
21	Reinvesting in Youth--State Appropriation	\$383,000
22	Washington Auto Theft Prevention Authority Account--State	
23	Appropriation	\$196,000
24	Juvenile Accountability Incentive Account--Federal	
25	Appropriation	\$2,801,000
26	TOTAL APPROPRIATION	\$181,875,000

27
28 The appropriations in this section are subject to the following
29 conditions and limitations:

30 (1) \$331,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$331,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for deposit in the county criminal
33 justice assistance account for costs to the criminal justice system
34 associated with the implementation of chapter 338, Laws of 1997
35 (juvenile code revisions). The amounts provided in this subsection are
36 intended to provide funding for county adult court costs associated

1 with the implementation of chapter 338, Laws of 1997 and shall be
2 distributed in accordance with RCW 82.14.310.

3 (2) \$2,716,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$2,716,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the implementation of chapter
6 338, Laws of 1997 (juvenile code revisions). The amounts provided in
7 this subsection are intended to provide funding for county impacts
8 associated with the implementation of chapter 338, Laws of 1997 and
9 shall be distributed to counties as prescribed in the current
10 consolidated juvenile services (CJS) formula.

11 (3) \$3,482,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$3,482,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely to implement community juvenile
14 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
15 code revisions). Funds provided in this subsection may be used solely
16 for community juvenile accountability grants, administration of the
17 grants, and evaluations of programs funded by the grants.

18 (4) \$1,130,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$1,130,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely to implement alcohol and substance
21 abuse treatment programs for locally committed offenders. The juvenile
22 rehabilitation administration shall award these moneys on a competitive
23 basis to counties that submitted a plan for the provision of services
24 approved by the division of alcohol and substance abuse. The juvenile
25 rehabilitation administration shall develop criteria for evaluation of
26 plans submitted and a timeline for awarding funding and shall assist
27 counties in creating and submitting plans for evaluation.

28 (5) \$3,123,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$3,123,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for grants to county juvenile
31 courts for the following programs identified by the Washington state
32 institute for public policy (institute) in its October 2006 report:
33 "Evidence-Based Public Policy Options to Reduce Future Prison
34 Construction, Criminal Justice Costs and Crime Rates": Functional
35 family therapy, multi-systemic therapy, aggression replacement training
36 and interagency coordination programs, or other programs with a
37 positive benefit-cost finding in the institute's report. County
38 juvenile courts shall apply to the juvenile rehabilitation

1 administration for funding for program-specific participation and the
2 administration shall provide grants to the courts consistent with the
3 per-participant treatment costs identified by the institute.

4 (6) \$1,537,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$1,537,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for expansion of the following
7 treatments and therapies in juvenile rehabilitation administration
8 programs identified by the Washington state institute for public policy
9 in its October 2006 report: "Evidence-Based Public Policy Options to
10 Reduce Future Prison Construction, Criminal Justice Costs and Crime
11 Rates": Multidimensional treatment foster care, family integrated
12 transitions, and aggression replacement training, or other programs
13 with a positive benefit-cost finding in the institute's report. The
14 administration may concentrate delivery of these treatments and
15 therapies at a limited number of programs to deliver the treatments in
16 a cost-effective manner.

17 (7)(a) The juvenile rehabilitation administration shall administer
18 a block grant, rather than categorical funding, of consolidated
19 juvenile service funds, community juvenile accountability act grants,
20 the chemical dependency disposition alternative funds, the mental
21 health disposition alternative, and the sentencing disposition
22 alternative for the purpose of serving youth adjudicated in the
23 juvenile justice system. In making the block grant, the juvenile
24 rehabilitation administration shall follow the following formula and
25 will prioritize evidence-based programs and disposition alternatives
26 and take into account juvenile courts program-eligible youth in
27 conjunction with the number of youth served in each approved evidence-
28 based program or disposition alternative: (i) Thirty-seven and one-
29 half percent for the at-risk population of youth ten to seventeen years
30 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
31 twenty-five percent for evidence-based program participation; (iv)
32 seventeen and one-half percent for minority populations; (v) three
33 percent for the chemical dependency disposition alternative; and (vi)
34 two percent for the mental health and sentencing dispositional
35 alternatives. Funding for the special sex offender disposition
36 alternative (SSODA) shall not be included in the block grant, but
37 allocated on the average daily population in juvenile courts. Funding
38 for the evidence-based expansion grants shall be excluded from the

1 block grant formula. Funds may be used for promising practices when
2 approved by the juvenile rehabilitation administration and juvenile
3 courts, through the community juvenile accountability act committee,
4 based on the criteria established in consultation with Washington state
5 institute for public policy and the juvenile courts.

6 (b) The juvenile rehabilitation administration and the juvenile
7 courts shall establish a block grant funding formula oversight
8 committee with equal representation from the juvenile rehabilitation
9 administration and the juvenile courts. The purpose of this committee
10 is to assess the ongoing implementation of the block grant funding
11 formula, utilizing data-driven decision making and the most current
12 available information. The committee will be cochaired by the juvenile
13 rehabilitation administration and the juvenile courts, who will also
14 have the ability to change members of the committee as needed to
15 achieve its purpose. Initial members will include one juvenile court
16 representative from the finance committee, the community juvenile
17 accountability act committee, the risk assessment quality assurance
18 committee, the executive board of the Washington association of
19 juvenile court administrators, the Washington state center for court
20 research, and a representative of the superior court judges
21 association; two representatives from the juvenile rehabilitation
22 administration headquarters program oversight staff, two
23 representatives of the juvenile rehabilitation administration regional
24 office staff, one representative of the juvenile rehabilitation
25 administration fiscal staff and a juvenile rehabilitation
26 administration division director. The committee may make changes to
27 the formula categories other than the evidence-based program and
28 disposition alternative categories if it is determined the changes will
29 increase statewide service delivery or effectiveness of evidence-based
30 program or disposition alternative resulting in increased cost benefit
31 savings to the state. Long-term cost benefit must be considered.
32 Percentage changes may occur in the evidence-based program or
33 disposition alternative categories of the formula should it be
34 determined the changes will increase evidence-based program or
35 disposition alternative delivery and increase the cost benefit to the
36 state. These outcomes will also be considered in determining when
37 evidence-based expansion or special sex offender disposition

1 alternative funds should be included in the block grant or left
2 separate.

3 (c) The juvenile courts and administrative office of the courts
4 shall be responsible for collecting and distributing information and
5 providing access to the data systems to the juvenile rehabilitation
6 administration and the Washington state institute for public policy
7 related to program and outcome data. The juvenile rehabilitation
8 administration and the juvenile courts will work collaboratively to
9 develop program outcomes that reinforce the greatest cost benefit to
10 the state in the implementation of evidence-based practices and
11 disposition alternatives.

12 (8) The juvenile courts and administrative office of the courts
13 shall collect and distribute information related to program outcome and
14 provide access to these data systems to the juvenile rehabilitation
15 administration and Washington state institute for public policy. The
16 agreements between administrative office of the courts, the juvenile
17 courts, and the juvenile rehabilitation administration shall be
18 executed to ensure that the juvenile rehabilitation administration
19 receives the data that the juvenile rehabilitation administration
20 identifies as needed to comply with this subsection. This includes,
21 but is not limited to, information by program at the statewide
22 aggregate level, individual court level, and individual client level
23 for the purpose of the juvenile rehabilitation administration providing
24 quality assurance and oversight for the locally committed youth block
25 grant and associated funds and at times as specified by the juvenile
26 rehabilitation administration as necessary to carry out these
27 functions. The data shall be provided in a manner that reflects the
28 collaborative work the juvenile rehabilitation administration and
29 juvenile courts have developed regarding program outcomes that
30 reinforce the greatest cost benefit to the state in the implementation
31 of evidence-based practices and disposition alternatives.

32 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
33 **SERVICES--MENTAL HEALTH PROGRAM**

34 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

35 General Fund--State Appropriation (FY 2014)	\$327,973,000
36 General Fund--State Appropriation (FY 2015)	\$314,665,000
37 General Fund--Federal Appropriation	\$550,347,000

1	General Fund--Private/Local Appropriation	\$17,864,000
2	Impaired Physician Account--State Appropriation	\$900,000
3	TOTAL APPROPRIATION	\$1,211,749,000

4 The appropriations in this subsection are subject to the following
5 conditions and limitations:

6 (a) \$101,200,000 of the general fund--state appropriation for
7 fiscal year 2014 and \$76,546,000 of the general fund--state
8 appropriation for fiscal year 2015 are provided solely for persons and
9 services not covered by the medicaid program. To the extent possible,
10 levels of regional support network spending shall be maintained in the
11 following priority order: (i) Crisis and commitment services; (ii)
12 community inpatient services; and (iii) residential care services,
13 including personal care and emergency housing assistance.

14 (b) \$6,590,000 of the general fund--state appropriation for fiscal
15 year 2014, \$6,590,000 of the general fund--state appropriation for
16 fiscal year 2015, and \$7,620,000 of the general fund--federal
17 appropriation are provided solely for the department and regional
18 support networks to continue to contract for implementation of high-
19 intensity programs for assertive community treatment (PACT) teams. In
20 determining the proportion of medicaid and nonmedicaid funding provided
21 to regional support networks with PACT teams, the department shall
22 consider the differences between regional support networks in the
23 percentages of services and other costs associated with the teams that
24 are not reimbursable under medicaid. The department may allow regional
25 support networks which have nonmedicaid reimbursable costs that are
26 higher than the nonmedicaid allocation they receive under this section
27 to supplement these funds with local dollars or funds received under
28 section 204(1)(a) of this act. The department and regional support
29 networks shall maintain consistency with all essential elements of the
30 PACT evidence-based practice model in programs funded under this
31 section.

32 (c) From the general fund--state appropriations in this subsection,
33 the secretary of social and health services shall assure that regional
34 support networks reimburse the aging and disability services
35 administration for the general fund--state cost of medicaid personal
36 care services that enrolled regional support network consumers use
37 because of their psychiatric disability.

1 (d) The department is authorized to continue to contract directly,
2 rather than through contracts with regional support networks, for
3 children's long-term inpatient facility services.

4 (e) Regional support networks may use local funds to earn
5 additional federal medicaid match, provided the locally matched rate
6 does not exceed the upper-bound of their federally allowable rate
7 range, and provided that the enhanced funding is used only to provide
8 medicaid state plan or waiver services to medicaid clients.
9 Additionally, regional support networks may use a portion of the state
10 funds allocated in accordance with (a) of this subsection to earn
11 additional medicaid match, but only to the extent that the application
12 of such funds to medicaid services does not diminish the level of
13 crisis and commitment, community inpatient, residential care, and
14 outpatient services presently available to persons not eligible for
15 medicaid.

16 (f) \$5,850,000 of the general fund--state appropriation for fiscal
17 year 2014, \$5,850,000 of the general fund--state appropriation for
18 fiscal year 2015, and \$1,300,000 of the general fund--federal
19 appropriation are provided solely for the western Washington regional
20 support networks to provide either community- or hospital campus-based
21 services for persons who require the level of care previously provided
22 by the program for adaptive living skills (PALS) at western state
23 hospital.

24 (g) The number of nonforensic beds allocated for use by regional
25 support networks at eastern state hospital shall be 192 per day. The
26 number of nonforensic beds allocated for use by regional support
27 networks at western state hospital shall be 557 per day.

28 (h) From the general fund--state appropriations in this subsection,
29 the secretary of social and health services shall assure that regional
30 support networks reimburse the aging and disability services
31 administration for the general fund--state appropriation cost of
32 medicaid personal care services that enrolled regional support network
33 consumers use because of their psychiatric disability.

34 (i) \$4,582,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$4,582,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for mental health services for
37 mentally ill offenders while confined in a county or city jail and for

1 facilitating access to programs that offer mental health services upon
2 release from confinement.

3 (j) The department is authorized to continue to contract directly,
4 rather than through contracts with regional support networks, for
5 children's long-term inpatient facility services.

6 (k) \$750,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$750,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely to continue performance-based
9 incentive contracts to provide appropriate community support services
10 for individuals with severe mental illness who were discharged from the
11 state hospitals as part of the expanding community services initiative.
12 These funds will be used to enhance community residential and support
13 services provided by regional support networks through other state and
14 federal funding.

15 (l) \$1,125,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$1,125,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the Spokane regional support
18 network to implement services to reduce utilization and the census at
19 eastern state hospital. Such services shall include:

20 (i) High-intensity treatment team for persons who are high
21 utilizers of psychiatric inpatient services, including those with co-
22 occurring disorders and other special needs;

23 (ii) Crisis outreach and diversion services to stabilize in the
24 community individuals in crisis who are at risk of requiring inpatient
25 care or jail services;

26 (iii) Mental health services provided in nursing facilities to
27 individuals with dementia, and consultation to facility staff treating
28 those individuals; and

29 (iv) Services at the sixteen-bed evaluation and treatment facility.

30 At least annually, the Spokane regional support network shall
31 assess the effectiveness of these services in reducing utilization at
32 eastern state hospital, identify services that are not optimally
33 effective, and modify those services to improve their effectiveness.

34 (m) \$1,529,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$1,529,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely to reimburse Pierce and Spokane
37 counties for the cost of conducting 180-day commitment hearings at the
38 state psychiatric hospitals.

1 (n) Regional support networks may use local funds to earn
2 additional federal medicaid matching funds, provided the locally
3 matched rate does not exceed the upper-bound of their federally
4 allowable rate range, and provided that the enhanced funding is used
5 only to provide medicaid state plan or waiver services to medicaid
6 clients. Additionally, regional support networks may use a portion of
7 the state funds allocated in accordance with (a) of this subsection to
8 earn additional medicaid matching funds, but only to the extent that
9 the application of such funds to medicaid services does not diminish
10 the level of crisis and commitment, community inpatient, residential
11 care, and outpatient services presently available to persons not
12 eligible for medicaid.

13 (o) Due to recent approval of federal medicaid matching funds for
14 the disability lifeline and the alcohol and drug abuse treatment
15 support act programs, the department shall charge regional support
16 networks for only the state share rather than the total cost of
17 community psychiatric hospitalization for persons enrolled in those
18 programs.

19 (p) The department shall work cooperatively with the health care
20 authority to explore the feasibility of incentivizing small, rural
21 hospitals to convert, in part or fully, some of their beds to
22 psychiatric treatment beds. No later than December 31, 2014, the
23 department shall report to the appropriate fiscal committees of the
24 legislature on the feasibility of such conversion. The report shall
25 consider rate enhancements and the ability to claim federal medicaid
26 matching funds on converted beds.

27 (q) \$429,000 of the general fund--state appropriation for fiscal
28 year 2014, \$509,000 of the general fund--state appropriation for fiscal
29 year 2015, and \$613,000 of the general fund--federal appropriation are
30 provided solely for the provisions of Second Substitute Senate Bill No.
31 5732 (adult behavioral health system). If the bill is not enacted by
32 June 30, 2013, the amounts provided in this subsection shall lapse.

33 (r) \$130,000 of the general fund--state appropriation for fiscal
34 year 2014, and \$130,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the provisions of Substitute
36 Senate Bill No. 5551 (competency to stand trial). If the bill is not
37 enacted by June 30, 2013, the amounts provided in this subsection shall
38 lapse.

1 (s) \$6,060,000 of the general fund--state appropriation for fiscal
2 year 2014, \$9,764,000 of the general fund--state appropriation for
3 fiscal year 2015, and \$7,196,000 of the general fund--federal
4 appropriation are provided solely for the provisions of Engrossed
5 Substitute Senate Bill No. 5480 (concerning mental health involuntary
6 commitment laws). If the bill is not enacted by June 30, 2013, the
7 amounts provided in this subsection shall lapse.

8 (2) INSTITUTIONAL SERVICES

9	General Fund--State Appropriation (FY 2014)	\$133,109,000
10	General Fund--State Appropriation (FY 2015)	\$130,847,000
11	General Fund--Federal Appropriation	\$148,886,000
12	General Fund--Private/Local Appropriation	\$62,737,000
13	TOTAL APPROPRIATION	\$475,579,000

14 The appropriations in this subsection are subject to the following
15 conditions and limitations:

16 (a) The state psychiatric hospitals may use funds appropriated in
17 this subsection to purchase goods and supplies through hospital group
18 purchasing organizations when it is cost-effective to do so.

19 (b) \$231,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$231,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for a community partnership
22 between western state hospital and the city of Lakewood to support
23 community policing efforts in the Lakewood community surrounding
24 western state hospital. The amounts provided in this subsection (2)(b)
25 are for the salaries, benefits, supplies, and equipment for one full-
26 time investigator, one full-time police officer, and one full-time
27 community service officer at the city of Lakewood.

28 (c) \$45,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$45,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for payment to the city of
31 Lakewood for police services provided by the city at western state
32 hospital and adjacent areas.

33 (d) \$2,068,000 of the general fund--state appropriation for fiscal
34 year 2014, \$2,068,000 of the general fund--state appropriation for
35 fiscal year 2015, and \$240,000 of the general fund--federal
36 appropriation are provided solely to plan, procure, and implement the
37 core elements of an electronic medical record system that is compliant
38 with the world health organization's tenth revision of the

1 international classification of diseases medical classification system.
2 The system chosen by the department shall share and facilitate the
3 transfer of client medical records with other state electronic medical
4 records systems.

5 (3) SPECIAL PROJECTS

6 General Fund--State Appropriation (FY 2014)	\$1,608,000
7 General Fund--State Appropriation (FY 2015)	\$1,609,000
8 General Fund--Federal Appropriation	\$6,286,000
9 TOTAL APPROPRIATION	\$9,503,000

10 (4) PROGRAM SUPPORT

11 General Fund--State Appropriation (FY 2014)	\$4,577,000
12 General Fund--State Appropriation (FY 2015)	\$4,368,000
13 General Fund--Federal Appropriation	\$7,312,000
14 General Fund--Private/Local Appropriation	\$502,000
15 TOTAL APPROPRIATION	\$16,759,000

16 The appropriations in this subsection are subject to the following
17 conditions and limitations: In accordance with RCW 43.20B.110,
18 43.135.055, and 71.24.035, the department is authorized to increase
19 license and certification fees in fiscal years 2014 and 2015 to support
20 the costs of the regulatory program. The department's fee schedule
21 shall have differential rates for providers with proof of accreditation
22 from organizations that the department has determined to have
23 substantially equivalent standards to those of the department,
24 including but not limited to the joint commission on accreditation of
25 health care organizations, the commission on accreditation of
26 rehabilitation facilities, and the council on accreditation. To
27 reflect the reduced costs associated with regulation of accredited
28 programs, the department's fees for organizations with such proof of
29 accreditation must reflect the lower costs of licensing for these
30 programs than for other organizations which are not accredited.

31 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
32 **SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

33 (1) COMMUNITY SERVICES

34 General Fund--State Appropriation (FY 2014)	\$442,611,000
35 General Fund--State Appropriation (FY 2015)	\$460,057,000
36 General Fund--Federal Appropriation	\$822,765,000

1 General Fund--Private/Local Appropriation \$246,000
2 TOTAL APPROPRIATION \$1,725,679,000

3 The appropriations in this subsection are subject to the following
4 conditions and limitations:

5 (a) Individuals receiving services as supplemental security income
6 (SSI) state supplemental payments shall not become eligible for medical
7 assistance under RCW 74.09.510 due solely to the receipt of SSI state
8 supplemental payments.

9 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
10 43.135.055, the department is authorized to increase nursing facility
11 and assisted living facility fees as necessary to fully support the
12 actual costs of conducting the licensure, inspection, and regulatory
13 programs. License fees for adult family homes shall be set to the
14 amounts specified in this subsection. The license fees may not exceed
15 the department's annual licensing and oversight activity costs and
16 shall include the department's cost of paying providers for the amount
17 of the license fee attributed to medicaid clients.

18 (i) The current annual renewal license fee for adult family homes
19 shall be increased to \$225 per bed beginning in fiscal year 2014 and
20 shall remain \$225 per bed beginning in fiscal year 2015. A processing
21 fee of \$2,750 shall be charged to each adult family home when the home
22 is initially licensed. This fee is nonrefundable.

23 (ii) The current annual renewal license fee for assisted living
24 facilities shall be \$106 per bed in fiscal year 2014 and \$106 per bed
25 in fiscal year 2015.

26 (iii) The current annual renewal license fee for nursing facilities
27 shall be \$359 per bed in fiscal year 2014 and \$359 per bed in fiscal
28 year 2015.

29 (c) \$13,301,000 of the general fund--state appropriation for fiscal
30 year 2014, \$20,607,000 of the general fund--state appropriation for
31 fiscal year 2015, and \$33,901,000 of the general fund federal
32 appropriation are provided solely for the implementation of the
33 agreement reached between the governor and the service employees
34 international union healthcare 775nw through an interest arbitration
35 decision under the provisions of chapters 74.39A and 41.56 RCW for the
36 2013-2015 fiscal biennium.

37 (d) \$1,707,000 of the general fund--state appropriation for fiscal
38 year 2014, \$2,670,000 of the general fund--state appropriation for

1 fiscal year 2015, and \$4,376,000 of the general fund--federal
2 appropriation are provided solely for the homecare agency parity
3 impacts of the service employees international union healthcare 775nw
4 arbitration award.

5 (e) No later than December 31, 2013, the department shall report to
6 the appropriate fiscal committees of the legislature with a strategy to
7 reduce the rate disparity between urban and suburban residential
8 service providers. The department shall incorporate a rate component
9 that recognizes differences in costs as they relate to the geographical
10 location of the provider; however, the proposed component shall use a
11 geographical variable that is more granular than the provider's county.

12 (f) \$5,988,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$5,988,000 of the general fund--state appropriation for
14 fiscal year 2015 are appropriated solely for the individual and family
15 support program. Within these amounts, the department shall expand the
16 current number of clients receiving services and focus on extending
17 services to individuals with developmental disabilities who are not
18 otherwise receiving paid services from the department.

19 (2) INSTITUTIONAL SERVICES

20 General Fund--State Appropriation (FY 2014)	\$84,062,000
21 General Fund--State Appropriation (FY 2015)	\$83,954,000
22 General Fund--Federal Appropriation	\$159,093,000
23 General Fund--Private/Local Appropriation	\$23,041,000
24 TOTAL APPROPRIATION	\$350,150,000

25 The appropriations in this subsection are subject to the following
26 conditions and limitations:

27 (a) Individuals receiving services as supplemental security income
28 (SSI) state supplemental payments shall not become eligible for medical
29 assistance under RCW 74.09.510 due solely to the receipt of SSI state
30 supplemental payments.

31 (b) \$721,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$721,000 of the general fund--state appropriation for
33 fiscal year 2015 are for the department to fulfill its contracts with
34 the school districts under chapter 28A.190 RCW to provide
35 transportation, building space, and other support services as are
36 reasonably necessary to support the educational programs of students
37 living in residential habilitation centers.

1	(3) PROGRAM SUPPORT	
2	General Fund--State Appropriation (FY 2014)	\$1,934,000
3	General Fund--State Appropriation (FY 2015)	\$1,988,000
4	General Fund--Federal Appropriation	\$1,957,000
5	TOTAL APPROPRIATION	\$5,879,000

6	(4) SPECIAL PROJECTS	
7	General Fund--State Appropriation (FY 2014)	\$1,397,000
8	General Fund--State Appropriation (FY 2015)	\$1,397,000
9	General Fund--Federal Appropriation	\$1,200,000
10	TOTAL APPROPRIATION	\$3,994,000

11 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
12 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

13	General Fund--State Appropriation (FY 2014)	\$869,234,000
14	General Fund--State Appropriation (FY 2015)	\$917,196,000
15	General Fund--Federal Appropriation	\$1,904,234,000
16	General Fund--Private/Local Appropriation	\$33,660,000
17	Traumatic Brain Injury Account--State Appropriation	\$3,393,000
18	Skilled Nursing Facility Net Trust Fund--State	
19	Appropriation	\$88,000,000
20	TOTAL APPROPRIATION	\$3,815,717,000

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) For purposes of implementing chapter 74.46 RCW, the weighted
24 average nursing facility payment rate shall not exceed \$171.32 for
25 fiscal year 2014 and shall not exceed \$171.53 for fiscal year 2015,
26 including the rate add-ons described in (a) and (b) of this subsection.
27 However, if the waiver requested from the federal centers for medicare
28 and medicaid services in relation to the safety net assessment is for
29 any reason disapproved, the weighted average nursing facility payment
30 rate shall not exceed \$161.52 for fiscal year 2014 and shall not exceed
31 \$161.73 for fiscal year 2015. There will be no adjustments for
32 economic trends and conditions in fiscal years 2014 and 2015. The
33 economic trends and conditions factor or factors defined in the
34 biennial appropriations act shall not be compounded with the economic
35 trends and conditions factor or factors defined in any other biennial
36 appropriations acts before applying it to the component rate
37 allocations established in accordance with chapter 74.46 RCW. When no

1 economic trends and conditions factor for either fiscal year is defined
2 in a biennial appropriations act, no economic trends and conditions
3 factor or factors defined in any earlier biennial appropriations act
4 shall be applied solely or compounded to the component rate allocations
5 established in accordance with chapter 74.46 RCW.

6 (a) Within the funds provided, the department shall continue to
7 provide an add-on per medicaid resident day per facility not to exceed
8 \$1.57. The add-on shall be used to increase wages, benefits, and/or
9 staffing levels for certified nurse aides; or to increase wages and/or
10 benefits for dietary aides, housekeepers, laundry aides, or any other
11 category of worker whose statewide average dollars-per-hour wage was
12 less than \$15 in calendar year 2008, according to cost report data.
13 The add-on may also be used to address resulting wage compression for
14 related job classes immediately affected by wage increases to low-wage
15 workers. The department shall continue reporting requirements and a
16 settlement process to ensure that the funds are spent according to this
17 subsection.

18 (b) For fiscal years 2014 and 2015 and subject to appropriation,
19 the department of social and health services shall do a comparative
20 analysis of the facility-based payment rates calculated on July 1,
21 2013, using the payment methodology defined in chapter 74.46 RCW, to
22 the facility-based payment rates in effect June 30, 2010. If the
23 facility-based payment rate calculated on July 1, 2013, is smaller than
24 the facility-based payment rate on June 30, 2010, the difference shall
25 be provided to the individual nursing facilities as an add-on payment
26 per medicaid resident day.

27 (c) During the comparative analysis performed in (b) of this
28 subsection, if it is found that the direct care rate for any facility
29 calculated under chapter 74.46 RCW is greater than the direct care rate
30 in effect on June 30, 2010, then the facility shall receive a ten
31 percent direct care rate add-on to compensate that facility for taking
32 on more acute clients than it has in the past.

33 (d) The rate add-ons provided in (c) of this subsection are subject
34 to the reconciliation and settlement process provided in RCW
35 74.46.022(6).

36 (e) The department shall provide a medicaid rate add-on to
37 reimburse the medicaid share of the skilled nursing facility safety net
38 assessment as a medicaid allowable cost.

1 (2) In accordance with chapter 74.46 RCW, the department shall
2 issue no additional certificates of capital authorization for fiscal
3 year 2014 and no new certificates of capital authorization for fiscal
4 year 2015 and shall grant no rate add-ons to payment rates for capital
5 improvements not requiring a certificate of need and a certificate of
6 capital authorization for fiscal years 2014 and 2015.

7 (3) Individuals receiving services as supplemental security income
8 (SSI) state supplemental payments shall not become eligible for medical
9 assistance under RCW 74.09.510 due solely to the receipt of SSI state
10 supplemental payments.

11 (4) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
12 43.135.055, the department is authorized to increase nursing facility
13 and assisted living facility fees as necessary to fully support the
14 actual costs of conducting the licensure, inspection, and regulatory
15 programs. The department shall increase adult family home license fees
16 as specified in (a) of this subsection. The license fees may not
17 exceed the department's annual licensing and oversight activity costs
18 and shall include the department's cost of paying providers for the
19 amount of the license fee attributed to medicaid clients.

20 (a) The current annual renewal license fee for adult family homes
21 shall be increased to \$225 per bed beginning in fiscal year 2014 and
22 shall remain at \$225 per bed in fiscal year 2015. A processing fee of
23 \$2,750 shall be charged to each adult family home when the home is
24 initially licensed. This fee is nonrefundable.

25 (b) The current annual renewal license fee for assisted living
26 facilities shall be increased to \$106 per bed beginning in fiscal year
27 2014 and \$106 per bed beginning in fiscal year 2015.

28 (c) The current annual renewal license fee for nursing facilities
29 shall be increased to \$359 per bed beginning in fiscal year 2014 and
30 \$359 per bed beginning in fiscal year 2015.

31 (5) The department is authorized to place long-term care clients
32 residing in nursing homes and paid for with state only funds into less
33 restrictive community care settings while continuing to meet the
34 client's care needs.

35 (6) \$32,559,000 of the general fund--state appropriation for fiscal
36 year 2014, \$50,142,000 of the general fund--state appropriation for
37 fiscal year 2015, and \$82,701,000 of the general fund federal
38 appropriation are provided solely for the implementation of the

1 agreement has been reached between the governor and the service
2 employees international union healthcare 775nw through an interest
3 arbitration decision under the provisions of chapters 74.39A and 41.56
4 RCW for the 2013-2015 fiscal biennium.

5 (7) \$10,800,000 of the general fund--state appropriation for fiscal
6 year 2014, \$17,768,000 of the general fund--state appropriation for
7 fiscal year 2015 and \$28,567,000 of the general fund--federal
8 appropriation are provided solely for the homecare agency parity
9 impacts of the service employees international union healthcare 775nw
10 arbitration award.

11 (8) \$25,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$25,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the department, working
14 collaboratively with stakeholders, the office of financial management,
15 and the legislature, by December 31, 2014 to:

16 (a) Develop a phased plan to expand services to meet the demands of
17 an aging society and extend caregiver support to a greater percentage
18 of caregivers in need. The report should include evaluation of the
19 program's potential to: (i) Delay or divert medicaid utilization
20 rates; and (ii) improve the health and well-being of family caregivers
21 including, but not limited to, reducing rates of depression and other
22 health or mental health issues. In developing the plan, the aging and
23 disability services administration must consult with stakeholders,
24 including individuals with developmental disabilities, physical
25 disabilities, behavioral health needs, and long-term care needs;

26 (b) Report to the appropriate committees of the legislature on:

27 (i) The existing funding of the following aging and disability
28 resource centers: (A) The northwest regional council in Skagit and
29 Whatcom counties; (B) Pierce county community connections; (C)
30 southeast Washington aging and disability resource centers in Asotin,
31 Benton, Columbia, Franklin, Garfield, Kittitas, Yakima, and Walla Walla
32 counties; and (D) aging and long-term care of eastern Washington in
33 Ferry, Pend Oreille, Spokane, Stevens, and Whitman counties;

34 (ii) The level of funding necessary to achieve the full complement
35 of aging and disability resource center functions statewide by December
36 1, 2017. The full complement of services includes five core functions:
37 (A) Information and assistance; (B) options counseling; (C) streamlines
38 access; (D) person-centered care transitions; (E) quality assurance and

1 evaluation; and (F) care coordination. This proposal must include ways
2 to maximize opportunities to leverage federal dollars and requirements
3 to establish local partnerships to draw in additional funding;

4 (iii) Preliminary results of evaluations the department has
5 conducted on the aging and disability resource centers and a proposal
6 for ongoing evaluations and assessments; and

7 (iv) The roles and responsibilities of the aging and disability
8 resource centers, how they serve different populations including
9 individuals with developmental disabilities, individuals with physical
10 disabilities, and individuals with behavioral health needs, and how the
11 centers interact with existing information and assistance programs such
12 as 211, parent-to-parent, centers for independent living, and regional
13 support networks;

14 (c) Work cooperatively with the office of financial management to
15 evaluate the following options to support families as they prepare for
16 the cost of long-term services and supports needs:

17 (i) Tax incentives or other measures to encourage individuals to
18 purchase private long-term care insurance and to encourage employers to
19 offer private long-term care insurance to their employees;

20 (ii) Options to incentivize state workers to participate in
21 employer offered private long-term care insurance;

22 (iii) Options to increase take-up rate of long-term care
23 partnership policies, including a public option;

24 (iv) Regulatory changes necessary to encourage the use of life
25 insurance to finance long-term services and supports;

26 (v) A public insurance option financed through voluntary
27 contributions; and

28 (vi) A public insurance option financed through mandatory
29 contributions;

30 (d) Evaluate each of the options listed in (c) of this subsection
31 based on how it meets the following goals:

32 (i) Delay or divert medicaid long-term care utilization and provide
33 relief for family caregivers;

34 (ii) Support individuals with functional or cognitive limitations
35 or both so that they are able to remain in the community by purchasing
36 nonmedical services and supports such as home care and adult day health
37 services and avoid institutional care;

1 (iii) Expand long-term coverage and supports for the greatest
2 number of people;

3 (iv) Address direct care workforce recruitment and retention issues
4 to ensure access to long-term services and supports;

5 (v) Be affordable for families and include comprehensive benefits;

6 (vi) Reduce inequality and promote economic security for middle
7 class families; and

8 (vii) Include a minimal impact on the state general fund and bring
9 additional funds into the long-term care system;

10 (e) Establish a profile of Washington's current elderly population
11 and population with disabilities and their needs;

12 (f) Establish an inventory of the services and supports currently
13 available to the elderly population and population with disabilities,
14 including health care providers and facilities, long-term care
15 providers and facilities, caregiver supports, public and private
16 financing, transportation services, and housing;

17 (g) Assess the areas of the current system where the additional
18 support is needed for Washington's current elderly population;

19 (h) Establish a profile of Washington's expected elderly population
20 and population with disabilities in 2025 and evaluate their anticipated
21 needs;

22 (i) Establish an anticipated inventory of future services and
23 supports that will be required to meet the needs of the elderly
24 population and population with disabilities in 2025; and

25 (j) Develop a strategy of actions that the state may take to
26 prepare for the future demographic trends in the elderly population and
27 population with disabilities and build the necessary capacity to meet
28 these demands, including the identification of:

29 (i) Statutory and regulatory changes to promote the most efficient
30 use of resources, such as simplifying administrative procedures,
31 facilitating points of entry into the long-term care services and
32 supports system, and improving transitions between care settings;

33 (ii) Practices for promoting the use of technology, chronic care
34 management, and disability prevention programs to maintain the
35 independence of the elderly population and population with
36 disabilities;

37 (iii) Caregiver supports;

1 (iv) Specialized resources for populations with special needs, such
2 as chronic conditions and dementia; and

3 (v) Housing and transportation programs to help individuals who are
4 elderly or individuals with disabilities to maintain their
5 independence.

6 (9) \$441,000 of the general fund--state appropriation for fiscal
7 year 2014, \$420,000 of the general fund--state appropriation for fiscal
8 year 2015 and \$863,000 of the general fund--federal appropriation are
9 provided solely for the provisions of Substitute Senate Bill No. 5630,
10 (recommendations of the adult family home quality assurance panel). If
11 the bill is not enacted by June 30, 2013, the amounts provided in this
12 subsection shall lapse.

13 (10) \$2,090,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$2,127,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for operation of the volunteer
16 services program. Funding shall be prioritized towards serving
17 populations traditionally served by long-term care services to include
18 senior citizens and persons with disabilities.

19 NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
20 **SERVICES--ECONOMIC SERVICES PROGRAM**

21	General Fund--State Appropriation (FY 2014)	\$390,756,000
22	General Fund--State Appropriation (FY 2015)	\$301,926,000
23	General Fund--Federal Appropriation	\$1,196,430,000
24	General Fund--Private/Local Appropriation	\$30,594,000
25	TOTAL APPROPRIATION	\$1,919,706,000

26 The appropriations in this section are subject to the following
27 conditions and limitations:

28 (1) \$66,374,000 of the general fund--state appropriation for fiscal
29 year 2014, \$8,502,000 of the general fund--state appropriation for
30 fiscal year 2015, and \$361,231,000 of the general fund--federal
31 appropriation are provided solely for assistance to clients, including
32 grants and diversion cash assistance under RCW 74.08A.210. The
33 department may provide assistance using state-only funds for families
34 eligible for temporary assistance for needy families.

35 (2) \$13,053,000 of the general fund--state appropriation for fiscal
36 year 2014, \$8,000,000 of the general fund--state appropriation for
37 fiscal year 2015, and \$134,224,000 of the general fund--federal

1 appropriation are provided solely for WorkFirst job search, education
2 and training activities, barrier removal services, limited English
3 proficiency services, and tribal assistance under RCW 74.08A.040.
4 Funding provided in this subsection must be allocated using a formula
5 that accounts for client caseload and client outcomes, including
6 outcome and accountability measures adopted by the
7 legislative-executive WorkFirst oversight task force under RCW
8 74.08A.260 and outcomes under RCW 74.08A.410.

9 (3) \$82,874,000 of the general fund--state appropriation for fiscal
10 year 2014, \$62,470,000 of the general fund--state appropriation for
11 fiscal year 2015, and \$179,728,000 of the general fund--federal
12 appropriation are provided solely for the working connections child
13 care program under RCW 43.215.135.

14 (4) \$34,818,000 of the general fund--state appropriation for fiscal
15 year 2014, \$30,695,000 of the general fund--state appropriation for
16 fiscal year 2015, and \$77,147,000 of the general fund--federal
17 appropriation are provided solely for WorkFirst and working connections
18 child care administration and overhead.

19 (5)(a) The amounts in subsections (1) through (4) of this section
20 shall be expended for the programs and in the amounts specified.
21 However, the department may transfer funding between subsections (1)
22 and (3) of this section, but only if the funding is available to
23 transfer solely due to utilization or caseload changes. Amounts in
24 subsection (2) of this section may be transferred to subsections (1) or
25 (3) of this section. The approval of the director of financial
26 management is required prior to any transfer under this subsection.
27 The department shall provide notification prior to any transfer to the
28 appropriate legislative committees and the legislative-executive
29 WorkFirst oversight task force.

30 (6)(a) \$3,932,000 of the general fund--state appropriation for
31 fiscal year 2014 and \$4,066,000 of the general fund--state
32 appropriation for fiscal year 2015 are provided solely for the programs
33 created in Senate Bill No. . . . (S-2297.2) (assistance programs).

34 (b) The department shall review clients receiving services through
35 the aged assistance program to determine whether they would benefit
36 from assistance in becoming naturalized citizens, and thus be eligible
37 to receive federal supplemental security income benefits. Those cases

1 shall be given high priority for naturalization funding through the
2 department.

3 (7) Within the amounts appropriated in this section, the department
4 may continue to provide incapacity examinations to determine if clients
5 are eligible for medical coverage due to their age or disability
6 through January 1, 2014. The department may not begin facilitating new
7 clients onto the social security income program beginning July 1, 2014.
8 All facilitation services for current clients will end by July 1, 2015.

9 (8) \$1,657,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$1,657,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for naturalization services.

12 (9) \$2,366,000 of the general fund--state appropriation for fiscal
13 year 2014 is provided solely for refugee employment services, of which
14 \$1,774,000 is provided solely for the department to pass through to
15 statewide refugee assistance organizations for limited English
16 proficiency pathway services; and \$2,366,000 of the general fund--state
17 appropriation for fiscal year 2015 is provided solely for refugee
18 employment services, of which \$1,774,000 is provided solely for the
19 department to pass through to statewide refugee assistance
20 organizations for limited English proficiency pathway services.

21 (10) On December 1, 2013, and annually thereafter, the department
22 must report to the legislature on all sources of funding available for
23 both refugee and immigrant services and naturalization services during
24 the current fiscal year and the amounts expended to date by service
25 type and funding source. The report must also include the number of
26 clients served and outcome data for the clients.

27 (11) To ensure expenditures remain within available funds
28 appropriated in this section, the legislature establishes the benefit
29 under the state food assistance program, pursuant to RCW 74.08A.120, to
30 be seventy-five percent of the federal supplemental nutrition
31 assistance program benefit amount.

32 **NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
33 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

34	General Fund--State Appropriation (FY 2014)	\$67,321,000
35	General Fund--State Appropriation (FY 2015)	\$61,268,000
36	General Fund--Federal Appropriation	\$233,004,000
37	General Fund--Private/Local Appropriation	\$13,541,000

1	Criminal Justice Treatment Account--State	
2	Appropriation	\$17,751,000
3	Problem Gambling Account--State Appropriation	\$1,450,000
4	TOTAL APPROPRIATION	\$394,335,000

5 The appropriations in this section are subject to the following
6 conditions and limitations:

7 (1) Within the amounts appropriated in this section, the department
8 may contract with the University of Washington and community-based
9 providers for the provision of the parent-child assistance program.
10 For all contractors, indirect charges for administering the program
11 shall not exceed ten percent of the total contract amount.

12 (2) Within the amounts appropriated in this section, the department
13 shall continue to provide for chemical dependency treatment services
14 for adult medicaid eligible, pregnant and parenting women, disability
15 lifeline, and alcoholism and drug addiction treatment and support act,
16 and medical care services clients.

17 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
18 department is authorized to increase fees for the review and approval
19 of treatment programs in fiscal years 2014 and 2015 as necessary to
20 support the costs of the regulatory program. The department's fee
21 schedule shall have differential rates for providers with proof of
22 accreditation from organizations that the department has determined to
23 have substantially equivalent standards to those of the department,
24 including but not limited to the joint commission on accreditation of
25 health care organizations, the commission on accreditation of
26 rehabilitation facilities, and the council on accreditation. To
27 reflect the reduced costs associated with regulation of accredited
28 programs, the department's fees for organizations with such proof of
29 accreditation must reflect the lower cost of licensing for these
30 programs than for other organizations which are not accredited.

31 (4) The department shall not discontinue a residential provider
32 contract solely because the treatment facility used by the provider has
33 a capacity in excess of sixteen beds.

34 (5) Within the amounts appropriated in this section, the department
35 shall contract with the Washington state institute for public policy
36 for a long-term efficacy study of the chemical dependency treatment
37 programs funded by the division of alcohol and substance abuse. The

1 study shall focus on how many program participants successfully
2 complete dependency programs and how long they abstain from use of
3 drugs and alcohol.

4 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

6	General Fund--State Appropriation (FY 2014)	\$11,134,000
7	General Fund--State Appropriation (FY 2015)	\$11,076,000
8	General Fund--Federal Appropriation	\$99,413,000
9	Telecommunications Devices for the Hearing and Speech	
10	Impaired--State Appropriation	\$2,775,000
11	TOTAL APPROPRIATION	\$124,398,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: \$480,000 of the telecommunications devices
14 for the hearing and speech impaired account--state appropriation is
15 provided solely for the office of deaf and hard of hearing to contract
16 for services that provide support and help with life activities for
17 deaf-blind individuals in the Puget Sound area.

18 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
19 **SERVICES--SPECIAL COMMITMENT PROGRAM**

20	General Fund--State Appropriation (FY 2014)	\$34,725,000
21	General Fund--State Appropriation (FY 2015)	\$34,578,000
22	TOTAL APPROPRIATION	\$69,303,000

23 The appropriations in this section are subject to the following
24 conditions and limitations:

25 (a) The department shall transfer the stewardship of McNeil Island
26 to the department of corrections industries program. The transferred
27 responsibilities shall include marine operations, the fire department,
28 waste water treatment, water treatment, road maintenance, and any other
29 general island maintenance that is not site specific to the operations
30 of the special commitment center or the Pierce county secure community
31 transition facility. Facility maintenance within the perimeter of the
32 special commitment center shall remain the responsibility of the
33 department of social and health services.

34 (b) \$2,100,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$2,100,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for operational costs specific to

1 island operations of the special commitment center and the Pierce
2 county secure community transition facility. The department shall
3 establish an accounting structure that enables it to track and report
4 on costs specific to island operations.

5 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
6 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

7	General Fund--State Appropriation (FY 2014)	\$26,974,000
8	General Fund--State Appropriation (FY 2015)	\$26,471,000
9	General Fund--Federal Appropriation	\$38,963,000
10	General Fund--Private/Local Appropriation	\$716,000
11	Performance Audits of State Government--State	
12	Appropriation	\$4,941,000
13	TOTAL APPROPRIATION	\$98,065,000

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) \$250,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$250,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for a grant program focused on
19 criminal street gang prevention and intervention. The Washington state
20 partnership council on juvenile justice may award grants under this
21 subsection. The council shall give priority to applicants who have
22 demonstrated the greatest problems with criminal street gangs.
23 Applicants composed of, at a minimum, one or more local governmental
24 entities and one or more nonprofit, nongovernmental organizations that
25 have a documented history of creating and administering effective
26 criminal street gang prevention and intervention programs may apply for
27 funding under this subsection.

28 (2) \$300,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$300,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for the Washington state mentors
31 program to continue its public-private partnerships to provide
32 technical assistance and training to mentoring programs that serve at-
33 risk youth.

34 (3) \$445,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$445,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for funding of the teamchild
37 project.

1 to pay 133 percent of the premium amount which would otherwise be due
2 from the sponsored enrollees through December 31, 2013, unless medicaid
3 expansion is not implemented.

4 (3) The administrator shall take at least the following actions to
5 assure that persons participating in the basic health plan are eligible
6 for the level of assistance they receive: (a) Require submission of
7 (i) income tax returns, and recent pay history, from all applicants, or
8 (ii) other verifiable evidence of earned and unearned income from those
9 persons not required to file income tax returns; (b) check employment
10 security payroll records at least once every twelve months on all
11 enrollees; (c) require enrollees whose income as indicated by payroll
12 records exceeds that upon which their subsidy is based to document
13 their current income as a condition of continued eligibility; (d)
14 require enrollees for whom employment security payroll records cannot
15 be obtained to document their current income at least once every six
16 months; (e) not reduce gross family income for self-employed persons by
17 noncash-flow expenses such as, but not limited to, depreciation,
18 amortization, and home office deductions, as defined by the United
19 States internal revenue service; and (f) pursue repayment and civil
20 penalties from persons who have received excessive subsidies, as
21 provided in RCW 70.47.060(9).

22 (4) Until December 31, 2013, enrollment in the subsidized basic
23 health plan shall be limited to only include persons who qualify as
24 subsidized enrollees as defined in RCW 70.47.020 and who (a) qualify
25 for services under 1115 medicaid demonstration project number 11-W-
26 00254/10; or (b) are foster parents licensed under chapter 74.15 RCW.

27 (5) Based on quarterly expenditure reports and caseload forecasts,
28 if the health care authority estimates that expenditures for the
29 medical assistance program will exceed the appropriations, the health
30 care authority shall take steps including but not limited to reduction
31 of rates or elimination of optional services to reduce expenditures so
32 that total program costs do not exceed the annual appropriation
33 authority.

34 (6) When a person is ineligible for medicaid solely by reason of
35 residence in an institution for mental diseases, the health care
36 authority shall provide the person with the same benefits as he or she
37 would receive if eligible for medicaid, using state-only funds to the
38 extent necessary.

1 (7) \$4,261,000 of the general fund--state appropriation for fiscal
2 year 2014, \$4,261,000 of the general fund--state appropriation for
3 fiscal year 2015, and \$8,522,000 of the general fund--federal
4 appropriation are provided solely for low-income disproportionate share
5 hospital payments under RCW 74.09.730(1)(a).

6 (8) \$6,000,000 of the general fund--federal appropriation is
7 provided solely for supplemental payments to nursing homes operated by
8 public hospital districts. The public hospital district shall be
9 responsible for providing the required nonfederal match for the
10 supplemental payment, and the payments shall not exceed the maximum
11 allowable under federal rules. It is the legislature's intent that the
12 payments shall be supplemental to and shall not in any way offset or
13 reduce the payments calculated and provided in accordance with part E
14 of chapter 74.46 RCW. It is the legislature's further intent that
15 costs otherwise allowable for rate-setting and settlement against
16 payments under chapter 74.46 RCW shall not be disallowed solely because
17 such costs have been paid by revenues retained by the nursing home from
18 these supplemental payments. The supplemental payments are subject to
19 retrospective interim and final cost settlements based on the nursing
20 homes' as-filed and final medicare cost reports. The timing of the
21 interim and final cost settlements shall be at the health care
22 authority's discretion. During either the interim cost settlement or
23 the final cost settlement, the health care authority shall recoup from
24 the public hospital districts the supplemental payments that exceed the
25 medicaid cost limit and/or the medicare upper payment limit. The
26 health care authority shall apply federal rules for identifying the
27 eligible incurred medicaid costs and the medicare upper payment limit.

28 (9) The health care authority shall continue the inpatient hospital
29 certified public expenditures program for the 2013-2015 fiscal
30 biennium. The program shall apply to all public hospitals, including
31 those owned or operated by the state, except those classified as
32 critical access hospitals or state psychiatric institutions. The
33 health care authority shall submit reports to the governor and
34 legislature by November 1, 2013, and by November 1, 2014, that evaluate
35 whether savings continue to exceed costs for this program. If the
36 certified public expenditures (CPE) program in its current form is no
37 longer cost-effective to maintain, the health care authority shall
38 submit a report to the governor and legislature detailing cost-

1 effective alternative uses of local, state, and federal resources as a
2 replacement for this program. During fiscal year 2014 and fiscal year
3 2015, hospitals in the program shall be paid and shall retain one
4 hundred percent of the federal portion of the allowable hospital cost
5 for each medicaid inpatient fee-for-service claim payable by medical
6 assistance and one hundred percent of the federal portion of the
7 maximum disproportionate share hospital payment allowable under federal
8 regulations. Inpatient medicaid payments shall be established using an
9 allowable methodology that approximates the cost of claims submitted by
10 the hospitals. Payments made to each hospital in the program in each
11 fiscal year of the biennium shall be compared to a baseline amount.
12 The baseline amount will be determined by the total of (a) the
13 inpatient claim payment amounts that would have been paid during the
14 fiscal year had the hospital not been in the CPE program based on the
15 reimbursement rates developed, implemented, and consistent with
16 policies approved in the 2013-2015 biennial operating appropriations
17 act and in effect on July 1, 2013, (b) one half of the indigent
18 assistance disproportionate share hospital payment amounts paid to and
19 retained by each hospital during fiscal year 2005, and (c) all of the
20 other disproportionate share hospital payment amounts paid to and
21 retained by each hospital during fiscal year 2005 to the extent the
22 same disproportionate share hospital programs exist in the 2013-2015
23 fiscal biennium. If payments during the fiscal year exceed the
24 hospital's baseline amount, no additional payments will be made to the
25 hospital except the federal portion of allowable disproportionate share
26 hospital payments for which the hospital can certify allowable match.
27 If payments during the fiscal year are less than the baseline amount,
28 the hospital will be paid a state grant equal to the difference between
29 payments during the fiscal year and the applicable baseline amount.
30 Payment of the state grant shall be made in the applicable fiscal year
31 and distributed in monthly payments. The grants will be recalculated
32 and redistributed as the baseline is updated during the fiscal year.
33 The grant payments are subject to an interim settlement within eleven
34 months after the end of the fiscal year. A final settlement shall be
35 performed. To the extent that either settlement determines that a
36 hospital has received funds in excess of what it would have received as
37 described in this subsection, the hospital must repay the excess
38 amounts to the state when requested. \$12,803,000 of the general fund--

1 state appropriation for fiscal year 2014, of which \$6,570,000 is
2 appropriated in section 204(1) of this act, and \$6,934,000 of the
3 general fund--state appropriation for fiscal year 2015, of which
4 \$6,570,000 is appropriated in section 204(1) of this act, are provided
5 solely for state grants for the participating hospitals. CPE hospitals
6 will receive the inpatient and outpatient reimbursement rate
7 restorations in RCW 74.60.080 and rate increases in RCW 74.60.090
8 funded through the hospital safety net assessment fund rather than
9 through the baseline mechanism specified in this subsection.

10 (10) Within the amounts appropriated in this section, the health
11 care authority shall provide disproportionate share hospital payments
12 to hospitals that provide services to children in the children's health
13 program who are not eligible for services under Title XIX or XXI of the
14 federal social security act due to their citizenship status.

15 (11) The health care authority shall not initiate any services that
16 require expenditure of state general fund moneys unless expressly
17 authorized in this act or other law. The health care authority may
18 seek, receive, and spend, under RCW 43.79.260 through 43.79.282,
19 federal moneys not anticipated in this act as long as the federal
20 funding does not require expenditure of state moneys for the program in
21 excess of amounts anticipated in this act. If the health care
22 authority receives unanticipated unrestricted federal moneys, those
23 moneys shall be spent for services authorized in this act or in any
24 other legislation providing appropriation authority, and an equal
25 amount of appropriated state general fund moneys shall lapse. Upon the
26 lapsing of any moneys under this subsection, the office of financial
27 management shall notify the legislative fiscal committees. As used in
28 this subsection, "unrestricted federal moneys" includes block grants
29 and other funds that federal law does not require to be spent on
30 specifically defined projects or matched on a formula basis by state
31 funds.

32 (12) The legislature finds that medicaid payment rates, as
33 calculated by the health care authority pursuant to the appropriations
34 in this act, bear a reasonable relationship to the costs incurred by
35 efficiently and economically operated facilities for providing quality
36 services and will be sufficient to enlist enough providers so that care
37 and services are available to the extent that such care and services
38 are available to the general population in the geographic area. The

1 legislature finds that the cost reports, payment data from the federal
2 government, historical utilization, economic data, and clinical input
3 constitute reliable data upon which to determine the payment rates.

4 (13) \$571,690 of the state health care authority administration
5 account--state appropriation is provided solely for implementation of
6 Engrossed Substitute Senate Bill No. 5811 (employee wellness program).
7 If the bill is not enacted by June 30, 2013, the amount provided in
8 this subsection shall lapse.

9 (14) In determining financial eligibility for medicaid-funded
10 services, the health care authority is authorized to disregard
11 recoveries by Holocaust survivors of insurance proceeds or other
12 assets, as defined in RCW 48.104.030.

13 (15) The legislature affirms that it is in the state's interest for
14 Harborview medical center to remain an economically viable component of
15 the state's health care system.

16 (16) \$357,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$357,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely to reduce premiums for children
19 with family incomes above 200 percent of the federal poverty level in
20 the state-funded children's health program who are not eligible for
21 coverage under the federal children's health insurance program.
22 Premiums in the state and federal children's health insurance program
23 shall be equal.

24 (17) \$1,531,000 of the general fund--state appropriation for fiscal
25 year 2014, \$280,000 of the general fund--state appropriation for fiscal
26 year 2015, and \$10,803,000 of the general fund--federal appropriation
27 are provided solely to implement phase two of the project to create a
28 single provider payment system that consolidates medicaid medical and
29 social services payments and replaces the social service payment
30 system.

31 (18) Within the amounts appropriated in this section, the health
32 care authority and the department of social and health services shall
33 implement the state option to provide health homes for enrollees with
34 chronic conditions under section 2703 of the federal affordable care
35 act. The total state match for enrollees who are dually-eligible for
36 both medicare and medicaid and not enrolled in managed care shall be no
37 more than the net savings to the state from the enhanced match rate for
38 its medicaid-only managed care enrollees under section 2703.

1 (19) Effective January 1, 2014, the authority shall not pay monthly
2 enhancements directly to federally qualified health clinics and rural
3 health centers and shall instead include the full encounter payments in
4 managed care contracts. The managed care contracts shall require the
5 managed care plans to pay at least the full encounter payment to
6 federally qualified health clinics and rural health centers. Managed
7 care premiums shall be adjusted to reflect this increased payment.
8 Effective January 1, 2015, the managed care premiums shall be
9 calculated based on calendar year 2012 and 2013 federally qualified
10 health clinic and rural health center utilization experience.

11 (20) The appropriations in this section reflect savings and
12 efficiencies by transferring children receiving medical care provided
13 through fee-for-service to medical care provided through managed care.

14 (21) The authority shall exclude antiretroviral drugs used to treat
15 HIV/AIDS, anticancer medication that is used to kill or slow the growth
16 of cancerous cells, antihemophilic drugs, and transplant drugs from
17 fail first limitations implemented to operate within the appropriations
18 provided in this section.

19 (22) The appropriations in this section reflect savings and
20 efficiencies by modifying the dispensing methods of contraceptive
21 drugs. The authority must make arrangements for all medicaid programs
22 offered through managed care plans or fee-for-service to require
23 dispensing of contraceptive drugs with up to a one-year supply provided
24 at one time. Contracts with managed care plans must allow on-site
25 dispensing of the prescribed contraceptive drugs at family planning
26 clinics. Dispensing practices must follow clinical guidelines for
27 appropriate prescribing and dispensing to ensure the health of the
28 patient while maximizing access to effective contraceptive drugs.

29 (23) \$90,000 of the general fund--state appropriation for fiscal
30 year 2014, \$90,000 of the general fund--state appropriation for fiscal
31 year 2015, and \$180,000 of the general fund--federal appropriation are
32 provided solely to continue operation by a nonprofit organization of a
33 toll-free hotline that assists families to learn about and enroll in
34 the apple health for kids program.

35 (24) \$1,762,000 of the general fund--state appropriation for fiscal
36 year 2014, \$2,389,000 of the general fund--state appropriation for
37 fiscal year 2015, \$80,000 of the general fund-private/local
38 appropriation, and \$6,204,000 of the general fund--federal

1 appropriation are provided solely for the medicaid and children's
2 health insurance program share of costs allocated from the health
3 benefit exchange. The amounts provided in this section are contingent
4 on the health benefit exchange developing a self-sustaining methodology
5 under which charges to enrollees and the state shall not exceed 1.8
6 percent of premiums paid.

7 (25) \$92,000 of the general fund--state appropriation for fiscal
8 year 2014, \$92,000 of the general fund--state appropriation for fiscal
9 year 2015, and \$184,000 of the general fund--federal appropriation are
10 provided solely for the authority to build and enhance a financial
11 oversight system of medicaid managed care organizations and related
12 costs. The authority's financial oversight system shall be able to
13 monitor performance and financial data independently of outside
14 organizations, have the systems and resources necessary to perform
15 these functions, and understand how state and federal reforms will
16 affect the state general fund.

17 (26) \$213,000 of the general fund--state appropriation for fiscal
18 year 2014, \$565,000 of the general fund--state appropriation for fiscal
19 year 2015, and \$778,000 of the general fund--federal appropriation are
20 provided solely to provide the mental health visit limit removal,
21 shingles vaccine, and the screening, brief intervention, and referral
22 to treatment benefits available in the medicaid alternative benefit
23 plan to the current medicaid benefit plan beginning January 1, 2014.
24 The authority shall monitor the habilitative benefit costs as part of
25 the forecasting process but shall not provide this benefit in the
26 current medicaid benefit without a direct appropriation in the omnibus
27 appropriations act.

28 (27) \$3,382,000 of the general fund--state appropriation for fiscal
29 year 2014, \$6,407,000 of the general fund--state appropriation for
30 fiscal year 2015, and \$20,901,000 of the general fund--federal
31 appropriation are provided solely for the authority to restore adult
32 dental preventative and denture benefits beginning January 1, 2014.
33 The authority shall not provide additional dental service benefits
34 without a direct appropriation in the omnibus appropriations act.

35 (28) Within the amounts appropriated in this section, the health
36 care authority shall consider services provided by rural health clinics
37 associated with the alternative payment methodology number 2,

1 alternative payment methodology number 3, and the calendar year 2009
2 managed care enhancement and fee-for-service encounter reconciliation
3 as partial payment.

4 NEW SECTION. **Sec. 214. FOR THE HUMAN RIGHTS COMMISSION**

5	General Fund--State Appropriation (FY 2014)	\$2,073,000
6	General Fund--State Appropriation (FY 2015)	\$1,990,000
7	General Fund--Federal Appropriation	\$2,179,000
8	TOTAL APPROPRIATION	\$6,242,000

9 NEW SECTION. **Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**

10 **APPEALS**

11	Worker and Community Right-to-Know Account--State	
12	Appropriation	\$10,000
13	Accident Account--State Appropriation	\$19,794,000
14	Medical Aid Account--State Appropriation	\$19,795,000
15	TOTAL APPROPRIATION	\$39,599,000

16 NEW SECTION. **Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**

17 **COMMISSION**

18	General Fund--State Appropriation (FY 2014)	\$14,078,000
19	General Fund--State Appropriation (FY 2015)	\$13,966,000
20	General Fund--Private/Local Appropriation	\$3,305,000
21	Death Investigations Account--State Appropriation	\$148,000
22	Municipal Criminal Justice Assistance Account--State	
23	Appropriation	\$460,000
24	Washington Auto Theft Prevention Authority Account--State	
25	Appropriation	\$8,597,000
26	TOTAL APPROPRIATION	\$40,554,000

27 The appropriations in this section are subject to the following
28 conditions and limitations:

29 (1) \$5,000,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$5,000,000 of the general fund--state appropriation for
31 fiscal year 2015, are provided as a grant to the Washington association
32 of sheriffs and police chiefs solely to verify the address and
33 residency of registered sex offenders and kidnapping offenders under
34 RCW 9A.44.130.

1 (2) Jurisdictions shall reimburse to the criminal justice training
2 commission the costs of ammunition, based on the average cost of
3 ammunition per cadet, for cadets that they enroll in the basic law
4 enforcement academy.

5 (3) \$100,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$100,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for a school safety program. The
8 commission, in collaboration with the school safety center advisory
9 committee, shall provide the school safety training for all school
10 administrators and school safety personnel hired after the effective
11 date of this section.

12 (4) \$96,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$96,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for the school safety center
15 within the commission. The safety center shall act as an information
16 dissemination and resource center when an incident occurs in a school
17 district in Washington or in another state, coordinate activities
18 relating to school safety, and review and approve manuals and curricula
19 used for school safety models and training. Through an interagency
20 agreement, the commission shall provide funding for the office of the
21 superintendent of public instruction to continue to develop and
22 maintain a school safety information web site. The school safety
23 center advisory committee shall develop and revise the training
24 program, using the best practices in school safety, for all school
25 safety personnel. The commission shall provide research-related
26 programs in school safety and security issues beneficial to both law
27 enforcement and schools.

28 (5) The criminal justice training commission may not run a basic
29 law enforcement academy class with fewer than 30 students.

30 (6) \$165,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$165,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for crisis intervention training
33 for peace officers. The commission shall incorporate eight hours of
34 crisis intervention curriculum into its basic law enforcement academy
35 and shall offer an eight-hour in-service crisis intervention training
36 course.

1 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
2 **INDUSTRIES**

3	General Fund--State Appropriation (FY 2014)	\$16,355,000
4	General Fund--State Appropriation (FY 2015)	\$16,946,000
5	General Fund--Federal Appropriation	\$11,876,000
6	Asbestos Account--State Appropriation	\$367,000
7	Electrical License Account--State Appropriation	\$36,812,000
8	Farm Labor Contractor Account--State Appropriation	\$28,000
9	Worker and Community Right-to-Know Account--State	
10	Appropriation	\$903,000
11	Public Works Administration Account--State	
12	Appropriation	\$5,972,000
13	Manufactured Home Installation Training Account--State	
14	Appropriation	\$351,000
15	Accident Account--State Appropriation	\$254,275,000
16	Accident Account--Federal Appropriation	\$13,622,000
17	Medical Aid Account--State Appropriation	\$272,651,000
18	Medical Aid Account--Federal Appropriation	\$3,186,000
19	Plumbing Certificate Account--State Appropriation	\$1,723,000
20	Pressure Systems Safety Account--State Appropriation	\$4,173,000
21	TOTAL APPROPRIATION	\$639,240,000

22 The appropriations in this section are subject to the following
23 conditions and limitations:

24 (1) Pursuant to RCW 43.135.055, the department is authorized to
25 increase elevator fees by up to 13.1 percent during the 2013-2015
26 fiscal biennium. This increase is necessary to support expenditures
27 authorized in this section, consistent with chapter 70.87 RCW.

28 (2) Within the amounts appropriated in this section, the department
29 shall: (a) Maintain a list of all determinations about what prevailing
30 wages must be paid for specific types of construction work and provide
31 information on how to access the list on all approved statements of
32 intent to pay prevailing wages; (b) whenever the department makes a
33 determination, place a notice of that determination in the state
34 register, include an informational note on every listed prevailing wage
35 classification that may be impacted by the determination and how to get
36 a copy of the determination, take other necessary actions to publish
37 the determination of prevailing wages; and (c) report all

1 determinations issued to the appropriate committees of the legislature
2 by December 1, 2013, and December 1, 2014.

3 (3) \$221,000 of the medical aid account--state appropriation and
4 \$221,000 of the accident account--state appropriation are provided
5 solely to implement Engrossed Substitute Senate Bill No. 5127
6 (structured settlements) or Engrossed Substitute Senate Bill No. 5128
7 (compensation for injured workers). If neither bill is enacted by June
8 30, 2013, the amounts provided in this subsection shall lapse.

9 (4) \$208,000 of the general fund--state appropriation is provided
10 solely to implement Substitute Senate Bill No. 5123 (farm internships).
11 If the bill is not enacted by June 30, 2013, the amount provided in
12 this subsection shall lapse.

13 (5) Within the amounts appropriated in this section, the department
14 shall create within its secure online system, the claim and account
15 center, an employer representative code and make it available to
16 employers or their representatives no later than September 1, 2013.

17 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

18 (1) HEADQUARTERS

19	General Fund--State Appropriation (FY 2014)	\$1,969,000
20	General Fund--State Appropriation (FY 2015)	\$1,875,000
21	Charitable, Educational, Penal, and Reformatory	
22	Institutions Account--State Appropriation	\$10,000
23	TOTAL APPROPRIATION	\$3,854,000

24 (2) FIELD SERVICES

25	General Fund--State Appropriation (FY 2014)	\$5,299,000
26	General Fund--State Appropriation (FY 2015)	\$5,273,000
27	General Fund--Federal Appropriation	\$3,463,000
28	General Fund--Private/Local Appropriation	\$4,418,000
29	Veterans Innovations Program Account--State	
30	Appropriation	\$814,000
31	Veteran Estate Management Account--Private/Local	
32	Appropriation	\$1,103,000
33	TOTAL APPROPRIATION	\$20,370,000

34 (3) INSTITUTIONAL SERVICES

35	General Fund--State Appropriation (FY 2014)	\$84,000
36	General Fund--Federal Appropriation	\$68,619,000
37	General Fund--Private/Local Appropriation	\$39,208,000

1	TOTAL APPROPRIATION	\$107,911,000
2	<u>NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF HEALTH</u>	
3	General Fund--State Appropriation (FY 2014)	\$57,853,000
4	General Fund--State Appropriation (FY 2015)	\$57,150,000
5	General Fund--Federal Appropriation	\$539,101,000
6	General Fund--Private/Local Appropriation	\$140,288,000
7	Hospital Data Collection Account--State Appropriation	\$220,000
8	Health Professions Account--State Appropriation	\$102,870,000
9	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
10	Emergency Medical Services and Trauma Care Systems Trust	
11	Account--State Appropriation	\$12,318,000
12	Safe Drinking Water Account--State Appropriation	\$5,239,000
13	Drinking Water Assistance Account--Federal	
14	Appropriation	\$14,724,000
15	Waterworks Operator Certification--State Appropriation	\$2,198,000
16	Drinking Water Assistance Administrative Account--State	
17	Appropriation	\$337,000
18	Site Closure Account--State Appropriation	\$159,000
19	Biotoxin Account--State Appropriation	\$1,323,000
20	State Toxics Control Account--State Appropriation	\$3,910,000
21	Medical Test Site Licensure Account--State	
22	Appropriation	\$4,734,000
23	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
24	Public Health Supplemental Account--Private/Local	
25	Appropriation	\$3,236,000
26	Accident Account--State Appropriation	\$304,000
27	Medical Aid Account--State Appropriation	\$300,000
28	Medicaid Fraud Penalty Account--State Appropriation	\$737,000
29	Companion Animal Spay Neuter Assistance Account--State	
30	Appropriation	\$409,000
31	TOTAL APPROPRIATION	\$949,526,000

32 The appropriations in this section are subject to the following
33 conditions and limitations:

34 (1)(a) The department of health shall not initiate any services
35 that will require expenditure of state general fund moneys unless
36 expressly authorized in this act or other law. The department of
37 health and the state board of health shall not implement any new or

1 amended rules pertaining to primary and secondary school facilities
2 until the rules and a final cost estimate have been presented to the
3 legislature, and the legislature has formally funded implementation of
4 the rules through the omnibus appropriations act or by statute. The
5 department may seek, receive, and spend, under RCW 43.79.260 through
6 43.79.282, federal moneys not anticipated in this act as long as the
7 federal funding does not require expenditure of state moneys for the
8 program in excess of amounts anticipated in this act. If the
9 department receives unanticipated unrestricted federal moneys, those
10 moneys shall be spent for services authorized in this act or in any
11 other legislation that provides appropriation authority, and an equal
12 amount of appropriated state moneys shall lapse. Upon the lapsing of
13 any moneys under this subsection, the office of financial management
14 shall notify the legislative fiscal committees. As used in this
15 subsection, "unrestricted federal moneys" includes block grants and
16 other funds that federal law does not require to be spent on
17 specifically defined projects or matched on a formula basis by state
18 funds.

19 (b) The joint administrative rules review committee shall review
20 the new or amended rules pertaining to primary and secondary school
21 facilities under (a) of this subsection. The review committee shall
22 determine whether (i) the rules are within the intent of the
23 legislature as expressed by the statute that the rule implements, (ii)
24 the rule has been adopted in accordance with all applicable provisions
25 of law, or (iii) that the agency is using a policy or interpretive
26 statement in place of a rule. The rules review committee shall report
27 to the appropriate policy and fiscal committees of the legislature the
28 results of committee's review and any recommendations that the
29 committee deems advisable.

30 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
31 is authorized to establish and raise fees in fiscal year 2014 as
32 necessary to meet the actual costs of conducting business and the
33 appropriation levels in this section. This authorization applies to
34 fees required for newborn screening, and fees associated with the
35 following professions: Agency affiliated counselors; certified
36 counselors; and certified advisors.

37 (3) \$150,000 of the state toxics control account--state

1 appropriation is provided solely to provide water filtration systems
2 for low-income households with individuals at high public health risk
3 from nitrate-contaminated wells in the lower Yakima basin.

4 (4) \$65,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$65,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the midwifery licensure and
7 regulatory program to offset a reduction in revenue from license fees.
8 The department shall charge no more than five hundred twenty-five
9 dollars annually for new or renewed licenses for the midwifery program.

10 (5) \$400,000 of the general fund--state appropriation for fiscal
11 year 2014 is provided solely to the department to provide to the
12 Washington autism alliance to provide assistance to autistic
13 individuals or families with autistic children to assist with their
14 transition under federal health reform.

15 (6) \$141,000 of the general fund--private/local appropriation is
16 provided solely for the implementation of Engrossed Substitute Senate
17 Bill No. 5118 (birth certificates). If the bill is not enacted by June
18 30, 2013, the amount provided in this subsection shall lapse.

19 (7) \$809,000 of the health professions account--state appropriation
20 is provided solely for the implementation of Engrossed Senate Bill No.
21 5206 (health sciences library). If the bill is not enacted by June 30,
22 2013, the amount provided in this subsection shall lapse.

23 (8) \$409,000 of the companion animal spay neuter assistance
24 account--state appropriation is provided solely for the implementation
25 of Senate Bill No. 5202 (spay neuter assistance program). If the bill
26 is not enacted by June 30, 2013, the amount provided in this subsection
27 shall lapse.

28 (9)(a) \$64,000 of the medicaid fraud penalty account--state
29 appropriation is provided solely for the department to integrate the
30 prescription monitoring program into the coordinated care electronic
31 tracking program developed in response to section 213, chapter 7, Laws
32 of 2012 2nd sp. sess. The integration must provide prescription
33 monitoring program data to emergency department personnel when the
34 patient registers in the emergency department. Such exchange may be a
35 private or public joint venture.

36 (b) As part of the integration, the department shall request
37 insurers and third-party administrators that provide coverage to

1 residents of Washington state to provide the following to the
2 coordinated care electronic tracking program:

3 (i) Any available information regarding the assigned primary care
4 provider, and the primary care provider's telephone and fax numbers.
5 This information is to be used for real-time communication to an
6 emergency department provider when caring for a patient; and

7 (ii) Information regarding any available care plans or treatment
8 plans for patients with higher utilization of services on a regular
9 basis. This information is to be provided to the treating provider.

10 (10) \$50,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$50,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the department to begin a
13 hepatitis c screening program for individuals who were born between
14 1946 and 1956.

15 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF CORRECTIONS**

16 The appropriations to the department of corrections in this act
17 shall be expended for the programs and in the amounts specified in this
18 section. However, after May 1, 2014, after approval by the director of
19 financial management and unless specifically prohibited by this act,
20 the department may transfer general fund--state appropriations for
21 fiscal year 2014 between programs. The department shall not transfer
22 funds, and the director of financial management shall not approve the
23 transfer, unless the transfer is consistent with the objective of
24 conserving, to the maximum extent possible, the expenditure of state
25 funds. The director of financial management shall notify the
26 appropriate fiscal committees of the senate and house of
27 representatives in writing seven days prior to approving any deviations
28 from appropriation levels. The written notification shall include a
29 narrative explanation and justification of the changes, along with
30 expenditures and allotments by budget unit and appropriation, both
31 before and after any allotment modifications or transfers.

32 (1) ADMINISTRATION AND SUPPORT SERVICES

33 General Fund--State Appropriation (FY 2014)	\$54,644,000
34 General Fund--State Appropriation (FY 2015)	\$52,922,000
35 TOTAL APPROPRIATION	\$107,566,000

36 The appropriations in this subsection are subject to the following
37 conditions and limitations:

1 (a) \$35,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$35,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the support of a statewide
4 council on mentally ill offenders that includes as its members
5 representatives of community-based mental health treatment programs,
6 current or former judicial officers, and directors and commanders of
7 city and county jails and state prison facilities. The council will
8 investigate and promote cost-effective approaches to meeting the long-
9 term needs of adults and juveniles with mental disorders who have a
10 history of offending or who are at-risk of offending, including their
11 mental health, physiological, housing, employment, and job training
12 needs.

13 (b) \$150,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$75,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the department to contract
16 with a consultant who can facilitate and provide project expertise on
17 the implementation of community and prison based offender programming
18 that follows the risk-needs-responsivity model.

19 (i) By September 1, 2013, the department shall provide to the
20 consultant an inventory of all existing programming both in prisons and
21 in community operations. The department shall consult with the
22 Washington state institute for public policy (WSIPP) to determine
23 whether programs are evidence-based or research-based using definitions
24 provided by WSIPP and shall include this information on the inventory.

25 (ii) By October 1, 2013, the consultant shall report to the
26 department, the office of financial management, and legislative fiscal
27 committees on the department's current plans and processes for managing
28 offender programming including processes for phasing-out ineffective
29 programs and implementing evidence-based or research-based programs.
30 All department programs should be considered by the consultant
31 regardless of whether they are included on the most recent list of
32 WSIPP approved identifiable evidence-based practices in (b)(i) of this
33 subsection.

34 (iii) The WSIPP, in consultation with the department, shall
35 systematically review selected programs to determine the effectiveness
36 of these programs at reducing recidivism or other outcomes. The WSIPP
37 shall conduct a benefit-cost analysis of these programs when feasible
38 and shall report to the legislature by December 1, 2013.

1 (iv) Based on the report provided by the consultant and the WSIPP
2 review of programs, the department shall work collaboratively with the
3 consultant to develop and complete a written comprehensive
4 implementation plan by January 15, 2014. The implementation plan must
5 clearly identify the types of programs to be included, the recommended
6 locations where the programs will be sited, an implementation timeline,
7 and a phasing of the projected number of participants needed to meet
8 the threshold of available program funds.

9 (v) Using the written implementation plan as a guide, the
10 department must have programs in place and fully phased-in no later
11 than June 30, 2015.

12 (vi) The department shall hold the consultant on retainer to assist
13 the department as needed throughout the implementation process. The
14 consultant shall review quarterly the actual implementation compared to
15 the written implementation plan and shall provide a report to the
16 secretary of the department. The department shall provide reports to
17 the office of financial management and legislative fiscal committees as
18 follows:

19 (A) The written comprehensive implementation plan shall be provided
20 by January 15, 2014; and

21 (B) Written progress updates shall be provided by July 1, 2014, and
22 by December 1, 2014.

23 (2) CORRECTIONAL OPERATIONS

24	General Fund--State Appropriation (FY 2014)	\$591,884,000
25	General Fund--State Appropriation (FY 2015)	\$591,817,000
26	General Fund--Federal Appropriation	\$3,322,000
27	County Criminal Justice Assistance Account--State	
28	Appropriation	\$390,000
29	Washington Auto Theft Prevention Authority Account--State	
30	Appropriation	\$7,586,000
31	Environmental Legacy Stewardship Account--State	
32	Appropriation	\$105,000
33	TOTAL APPROPRIATION	\$1,195,104,000

34 The appropriations in this subsection are subject to the following
35 conditions and limitations:

36 (a) During the 2013-2015 biennium, when contracts are established
37 or renewed for offender pay phone and other telephone services provided
38 to inmates, the department shall select the contractor or contractors

1 primarily based on the following factors: (i) The lowest rate charged
2 to both the inmate and the person paying for the telephone call; and
3 (ii) the lowest commission rates paid to the department, while
4 providing reasonable compensation to cover the costs of the department
5 to provide the telephone services to inmates and provide sufficient
6 revenues for the activities funded from the institutional welfare
7 betterment account.

8 (b) The Harborview medical center and the University of Washington
9 medical center shall provide inpatient and outpatient hospital services
10 to offenders confined in department of corrections facilities at a rate
11 no greater than the average rate that the department has negotiated
12 with other community hospitals in Washington state.

13 (c) The department of corrections shall contract with local and
14 tribal governments for the provision of jail capacity to house
15 offenders who violate the terms of their community supervision. A
16 contract shall not have a cost of incarceration in excess of \$85 per
17 day per offender. A contract shall not have a year-to-year increase in
18 excess of three percent per year. The contracts may include rates for
19 the medical care of offenders which exceed the daily cost of
20 incarceration and the limitation on year-to-year increase, provided
21 that medical payments conform to the department's offender health plan,
22 pharmacy formulary, and all off-site medical expenses are preapproved
23 by department utilization management staff.

24 (d) \$1,868,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$2,107,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for the department to rent jail
27 capacity for short-term offenders. Pursuant to Senate Bill No. 5892
28 (corrections costs), the department shall rent capacity from local and
29 tribal governments to house offenders with an earned release date of
30 less than one hundred twenty days remaining on his or her sentence at
31 the time the offender would otherwise be transferred to a state
32 correctional facility. The contracted daily costs for these offenders
33 shall not exceed \$70 per offender including medical costs.

34 (e) The department shall convene a work group to develop health
35 care cost containment strategies at local jail facilities. The work
36 group shall identify cost containment strategies in place at the
37 department and at local jail facilities, identify the costs and
38 benefits of implementing strategies in jail health-care facilities, and

1 make recommendations on implementing beneficial strategies. The work
2 group shall submit a report on its findings and recommendations to the
3 fiscal committees of the legislature by October 1, 2013. The work
4 group shall include jail administrators, representatives from health
5 care facilities at the local jail level and the state prisons level,
6 and other representatives as deemed necessary.

7 (f) \$501,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$501,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the department to maintain the
10 facility, property, and assets at the institution formerly known as the
11 maple lane school in Rochester. The department may not house
12 incarcerated offenders at the maple lane site until specifically
13 directed to do so by the legislature.

14 (g) The legislature intends that costs incurred by Snohomish County
15 for *State v. Scherf* are paid for through the extraordinary criminal
16 justice costs procedure under RCW 43.330.190.

17 (h) \$1,026,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$781,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely to expand the piloted
20 risk-needs-responsivity model to include the use of cognitive
21 behavioral therapy with evidence-based programming at two minimum
22 security prison facilities and at the Monroe correctional complex.

23 (i) \$21,861,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$24,770,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for offender programming.
26 Pursuant to section 220(1) of this act, the department shall develop
27 and implement a written comprehensive plan for offender programming
28 that prioritizes programs which follow the risk-needs-responsivity
29 model, are evidence-based, and have measurable outcomes. The
30 department is authorized to discontinue ineffective programs and to
31 repurpose underspent funds according to the priorities in the written
32 plan.

33 (j) \$36,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$36,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for implementation of Engrossed
36 Senate Bill No. 5484 (assault in the third-degree). If the bill is not
37 enacted by June 30, 2013, the amounts provided in this subsection shall
38 lapse.

1 (k) \$48,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$48,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for implementation of Substitute
4 Senate Bill No. 5452 (stalking protection orders). If the bill is not
5 enacted by June 30, 2013, the amounts provided in this subsection shall
6 lapse.

7 (l) \$24,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$24,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for implementation of Engrossed
10 Substitute Senate Bill No. 5735 (sex or kidnapping offenders). If the
11 bill is not enacted by June 30, 2013, the amounts provided in this
12 subsection shall lapse.

13 (m) \$12,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$12,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for implementation of Senate Bill
16 No. 5015 (aggravated first-degree murder). If the bill is not enacted
17 by June 30, 2013, the amounts provided in this subsection shall lapse.

18 (n) \$36,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$36,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for implementation of Senate Bill
21 No. 5149 (crimes against pharmacies). If the bill is not enacted by
22 June 30, 2013, the amounts provided in this subsection shall lapse.

23 (o) \$24,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$24,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for implementation of Engrossed
26 Substitute Senate Bill No. 5669 (trafficking). If the bill is not
27 enacted by June 30, 2013, the amounts provided in this subsection shall
28 lapse.

29 (p) \$24,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$24,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for implementation of Engrossed
32 Senate Bill No. 5053 (vehicle prowling). If the bill is not enacted by
33 June 30, 2013, the amounts provided in this subsection shall lapse.

34 (q) \$96,000 of the county criminal justice assistance--state
35 appropriation is provided solely for implementation of Engrossed Senate
36 Bill No. 5105 (rental vouchers for offenders). If the bill is not
37 enacted by June 30, 2013, the amount provided in this subsection shall
38 lapse.

1 (r) Appropriations from the environmental legacy stewardship
2 account in this section shall be made from the state toxic control
3 account if legislation creating and funding the environmental legacy
4 and stewardship account is not enacted by June 30, 2013.

5 (3) COMMUNITY SUPERVISION

6	General Fund--State Appropriation (FY 2014)	\$127,727,000
7	General Fund--State Appropriation (FY 2015)	\$129,120,000
8	County Criminal Justice Assistance Account--State	
9	Appropriation	\$2,249,000
10	Ignition Interlock Account--State Appropriation	\$2,200,000
11	TOTAL APPROPRIATION	\$261,296,000

12 The appropriations in this subsection are subject to the following
13 conditions and limitations:

14 (a) \$4,186,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$6,362,000 of the general fund--state appropriation for
16 fiscal year 2015 must be expended on evidence-based programs that
17 follow the risk-needs-responsivity model. The department is authorized
18 to use up to ten percent of these funds as necessary to secure physical
19 space as needed to maximize program delivery of evidence-based
20 treatment to all high-risk, high-need offenders in community
21 supervision. Funding may be prioritized by the department to any
22 program recognized as evidence-based for adult offenders by the
23 Washington state institute for public policy.

24 (b) \$16,513,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$16,527,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for offender programming.
27 Pursuant to section 220 (1) of this act, the department shall develop
28 and implement a written comprehensive plan for offender programming
29 that prioritizes programs which follow the risk-needs-responsivity
30 model, are evidence-based, and have measurable outcomes. The
31 department is authorized to discontinue ineffective programs and to
32 repurpose underspent funds according to the priorities in the written
33 plan.

34 (c) \$107,000 of the county criminal justice--state appropriation is
35 provided solely for implementation of Engrossed Senate Bill No. 5105
36 (rental vouchers for offenders). If the bill is not enacted by June
37 30, 2013, the amount provided in this subsection shall lapse.

1 (4) CORRECTIONAL INDUSTRIES

2	General Fund--State Appropriation (FY 2014)	\$7,752,000
3	General Fund--State Appropriation (FY 2015)	\$7,508,000
4	TOTAL APPROPRIATION	\$15,260,000

5 The appropriations in this subsection are subject to the following
6 conditions and limitations: \$4,271,000 of the general fund--state
7 appropriation for fiscal year 2014 and \$4,037,000 of the general fund--
8 state appropriation for fiscal year 2015 are provided solely for the
9 stewardship of McNeil island. The department shall assume
10 responsibility of all island maintenance excluding site specific
11 maintenance operations for the special commitment center and the Pierce
12 county secure transitional facility. The department shall as part of
13 its industries program provide job skills to offenders while providing
14 the minimum maintenance and preservation necessary for the state to
15 remain in compliance with the federal deed for McNeil island. The
16 department shall report on efficiencies and potential cost reductions
17 to the office of financial management and legislative fiscal committees
18 by December 15, 2013.

19 (5) INTERAGENCY PAYMENTS

20	General Fund--State Appropriation (FY 2014)	\$35,241,000
21	General Fund--State Appropriation (FY 2015)	\$31,488,000
22	TOTAL APPROPRIATION	\$66,729,000

23 The appropriations in this subsection are subject to the following
24 conditions and limitations:

25 (a) The state prison institutions may use funds appropriated in
26 this subsection to rent uniforms from correctional industries in
27 accordance with existing legislative mandates.

28 (b) The state prison medical facilities may use funds appropriated
29 in this subsection to purchase goods and supplies through hospital or
30 other group purchasing organizations when it is cost effective to do
31 so.

32 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**
33 **BLIND**

34	General Fund--State Appropriation (FY 2014)	\$2,215,000
35	General Fund--State Appropriation (FY 2015)	\$2,166,000
36	General Fund--Federal Appropriation	\$20,954,000

1 General Fund--Private/Local Appropriation \$60,000
 2 TOTAL APPROPRIATION \$25,395,000

3 NEW SECTION. **Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

4 General Fund--Federal Appropriation \$269,786,000
 5 General Fund--Private/Local Appropriation \$34,161,000
 6 Unemployment Compensation Administration Account--Federal
 7 Appropriation \$319,246,000
 8 Administrative Contingency Account--State
 9 Appropriation \$22,405,000
 10 Employment Service Administrative Account--State
 11 Appropriation \$35,546,000
 12 TOTAL APPROPRIATION \$681,144,000

13 The appropriations in this section are subject to the following
 14 conditions and limitations:

15 (1) \$5,000,000 of the unemployment compensation administration
 16 account--federal appropriation is from amounts made available to the
 17 state by section 903(g) of the social security act (Reed act). This
 18 amount is provided solely for continuing current unemployment insurance
 19 functions and department services to employers and job seekers.

20 (2) \$12,386,000 of the unemployment compensation administration
 21 account--federal appropriation is from amounts made available to the
 22 state by section 903(g) of the social security act (Reed act). This
 23 amount is provided solely for the replacement of the unemployment
 24 insurance tax information system for the employment security
 25 department.

26 (3) \$3,735,000 of the unemployment compensation account--federal
 27 appropriation is from amounts made available to the state by section
 28 903(g) of the social security act (Reed act). This amount is provided
 29 solely for the replacement of call center technology to improve the
 30 integration of the telephone and computing systems to increase
 31 efficiency and improve customer service.

32 (4) \$182,000 of the employment services administrative account--
 33 state appropriation is provided for costs associated with the second
 34 stage of the review and evaluation of the training benefits program as
 35 directed in section 15(2), chapter 4, Laws of 2011 (unemployment
 36 insurance program). This second stage shall be developed and conducted

1 by the joint legislative audit and review committee and shall consist
2 of further work on the process study and net-impact/cost-benefit
3 analysis components of the evaluation.

(End of part)

PART III
NATURAL RESOURCES

NEW SECTION. Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund--State Appropriation (FY 2014)	\$363,000
General Fund--State Appropriation (FY 2015)	\$365,000
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	\$811,000
TOTAL APPROPRIATION	\$1,570,000

NEW SECTION. Sec. 302. FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2014)	\$23,678,000
General Fund--State Appropriation (FY 2015)	\$22,192,000
General Fund--Federal Appropriation	\$104,996,000
General Fund--Private/Local Appropriation	\$16,876,000
Reclamation Account--State Appropriation	\$3,719,000
Flood Control Assistance Account--State Appropriation	\$1,972,000
State Emergency Water Projects Revolving Account--State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$8,640,000
State Drought Preparedness Account--State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$425,000
Environmental Legacy Stewardship Account--State Appropriation	\$47,529,000
Aquatic Algae Control Account--State Appropriation	\$513,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$551,000
Wood Stove Education and Enforcement Account--State Appropriation	\$608,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,697,000
Water Rights Processing Account--State Appropriation	\$135,000
State Toxics Control Account--State Appropriation	\$110,623,000
State Toxics Control Account--Private/Local	

1	Appropriation	\$977,000
2	Local Toxics Control Account--State Appropriation	\$3,747,000
3	Water Quality Permit Account--State Appropriation	\$41,168,000
4	Underground Storage Tank Account--State Appropriation	\$3,330,000
5	Biosolids Permit Account--State Appropriation	\$1,837,000
6	Hazardous Waste Assistance Account--State	
7	Appropriation	\$5,989,000
8	Air Pollution Control Account--State Appropriation	\$3,124,000
9	Oil Spill Prevention Account--State Appropriation	\$5,667,000
10	Air Operating Permit Account--State Appropriation	\$3,114,000
11	Freshwater Aquatic Weeds Account--State Appropriation	\$1,410,000
12	Oil Spill Response Account--State Appropriation	\$7,076,000
13	Water Pollution Control Revolving Account--State	
14	Appropriation	\$354,000
15	Water Pollution Control Revolving Account--Federal	
16	Appropriation	\$1,494,000
17	Water Pollution Control Revolving Administration--State	
18	Appropriation	\$1,021,000
19	Radioactive Mixed Waste Account--State Appropriation	\$13,800,000
20	TOTAL APPROPRIATION	\$438,552,000

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) \$170,000 of the oil spill prevention account--state
24 appropriation is provided solely for a contract with the University of
25 Washington's sea grant program to continue an educational program
26 targeted to small spills from commercial fishing vessels, ferries,
27 cruise ships, ports, and marinas.

28 (2) Pursuant to RCW 43.135.055, the department is authorized to
29 increase the following fees as necessary to meet the actual costs of
30 conducting business and the appropriation levels in this section:
31 Wastewater discharge permit, not more than 4.55 percent in fiscal year
32 2014 and 4.63 percent in fiscal year 2015; and reasonably available
33 control technology fee.

34 (3) \$1,981,000 of the environmental legacy stewardship account--
35 state appropriation is for the department to provide training regarding
36 the benefits of low-impact development including, but not limited to,
37 when the use of low-impact development is appropriate and feasible, and
38 the design, installation, maintenance, and best practices of low-impact

1 development. The department will consult with Washington State
2 University extension low-impact development technical center and others
3 in the development of the low-impact technical training. As
4 appropriate, the department may contract with the Washington State
5 University extension low-impact development technical center, private
6 sector vendors, associations, and others to deliver the technical
7 training. The training must be provided free of cost to phase I and
8 phase II permittees and the private development community including
9 builders, engineers, and other industry professionals. The training
10 must be sequenced geographically and provided in time for local
11 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By
12 August 1, 2013, the department of ecology shall provide the governor
13 and appropriate legislative committees a plan for how low-impact
14 development training funds will be spent during fiscal years 2014
15 through 2017.

16 (4) \$440,000 of the environmental legacy stewardship account--state
17 appropriation is provided solely for administering the water pollution
18 control facilities financial assistance program authorized in chapter
19 90.50A RCW.

20 (5) \$350,000 of the environmental legacy stewardship account--state
21 appropriation is provided solely for activities designed to address
22 elevated levels of polychlorinated biphenyls in the Spokane river.
23 Funding will be used to determine the extent of the cleanup required,
24 implement cleanup actions to meet applicable water quality standards,
25 and prevent recontamination.

26 (6) \$860,000 of the environmental legacy stewardship account--state
27 appropriation is provided solely for the department to collaborate with
28 the University of Washington and the department of natural resources to
29 assess the effects of the ocean pH balance. The department shall
30 provide staffing for this purpose.

31 (7) \$500,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for processing water right permit
33 applications only if the department of ecology issues at least five
34 hundred water right decisions in fiscal year 2014, and if the
35 department of ecology does not issue at least five hundred water right
36 decisions in fiscal year 2014 the amount provided in this subsection
37 shall lapse and remain unexpended. The department of ecology shall
38 submit a report to the office of financial management and the state

1 treasurer by June 30, 2014, that documents whether five hundred water
 2 right decisions were issued in fiscal year 2014. For the purposes of
 3 this subsection, applications that are voluntarily withdrawn by an
 4 applicant do not count towards the five hundred water right decision
 5 requirement. For the purposes of water budget-neutral requests under
 6 chapter 173-539A WAC, multiple domestic connections authorized within
 7 a single water budget-neutral decision are considered one decision for
 8 the purposes of this subsection.

9 (8) \$150,000 of the environmental legacy stewardship account--state
 10 appropriation is provided solely for San Juan county to complete their
 11 shoreline master program update in time to meet statutory and legal
 12 settlement deadlines.

13 (9) \$40,000 of the general fund--state appropriation for fiscal
 14 year 2014 is provided solely to the middle snake river watershed, WRIA
 15 35 planning unit to collaborate with the department in adopting by rule
 16 the watershed plan for WRIA 35. The rule-making process shall be
 17 completed by the department within existing resources and by July 1,
 18 2014.

19 (10) Appropriations from the environmental legacy stewardship
 20 account in this section shall be made from the state toxic control
 21 account if legislation creating and funding the environmental legacy
 22 stewardship account is not enacted by June 30, 2013.

23 (11) Appropriations from the radioactive mixed waste account in
 24 this section shall be made from the state toxic control account if
 25 legislation creating and funding the radioactive mixed waste account is
 26 not enacted by June 30, 2013.

27 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
 28 **COMMISSION**

29	General Fund--State Appropriation (FY 2014)	\$3,212,000
30	General Fund--State Appropriation (FY 2015)	\$3,212,000
31	General Fund--Federal Appropriation	\$5,959,000
32	Winter Recreation Program Account--State Appropriation . . .	\$2,064,000
33	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$215,000
34	Snowmobile Account--State Appropriation	\$4,855,000
35	Waste Reduction/Recycling/Litter Control--State	
36	Appropriation	\$10,000,000
37	Aquatic Lands Enhancement Account--State Appropriation	\$363,000

1	Parks Renewal and Stewardship Account--State	
2	Appropriation	\$92,556,000
3	Parks Renewal and Stewardship Account--Private/Local	
4	Appropriation	\$300,000
5	TOTAL APPROPRIATION	\$122,736,000

6 The appropriations in this section are subject to the following
7 conditions and limitations:

8 (1) Prior to closing any state park, the commission must notify all
9 affected local governments and relevant nonprofit organizations of the
10 intended closure and provide an opportunity for the notified local
11 governments and nonprofit organizations to elect to acquire, or enter
12 into, a maintenance and operating contract with the commission that
13 would allow the park to remain open.

14 (2) The commission shall prepare a report on its efforts to
15 increase revenue from all sources, including the discover pass. The
16 report shall also include a status update on the fiscal health of the
17 state parks system, and shall be submitted to the office of financial
18 management and the appropriate committees of the legislature by October
19 28, 2013.

20 (3) By December 1, 2013, the commission must adopt standard terms
21 and conditions for public service utility easements. The commission
22 must transmit a copy of the terms and conditions to the office of
23 financial management and the appropriate committees of the legislature.

24 (4) By December 1, 2013, the commission must adopt, in consultation
25 with affected stakeholders: (a) A fee schedule for new public service
26 utility crossings; and (b) a fee-setting mechanism for linear utility
27 easements and crossings across traditional park land, based on fair
28 market value. For the purposes of developing the fee mechanism, fair
29 market value means the amount of money which a purchaser willing, but
30 not obligated, to buy the property would pay an owner willing, but not
31 obligated, to sell it, taking into consideration all uses to which the
32 property is adapted and might in reason be applied. If there is a
33 dispute on the fair market value of an easement, an independent
34 appraisal shall be ordered and the cost of the appraisal shall be
35 shared equally by the utility and the commission. The commission must
36 transmit a copy of the fee schedule and fee-setting mechanism to the
37 office of financial management and the appropriate committees of the
38 legislature.

1 (5) By December 31, 2014, the commission must bring existing
2 documented public service utility crossings under easement. Prior to
3 January 1, 2014, use fees may not exceed:

- 4 (a) Underground distribution: \$325;
- 5 (b) Underground transmission: \$1500;
- 6 (c) Overhead distribution: \$500; and
- 7 (d) Overhead transmission: \$2000.

8 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
9 **FUNDING BOARD**

10	General Fund--State Appropriation (FY 2014)	\$789,000
11	General Fund--State Appropriation (FY 2015)	\$777,000
12	General Fund--Federal Appropriation	\$3,419,000
13	General Fund--Private/Local Appropriation	\$24,000
14	Aquatic Lands Enhancement Account--State Appropriation	\$478,000
15	Vessel Response Account--State Appropriation	\$2,000
16	Firearms Range Account--State Appropriation	\$37,000
17	Recreation Resources Account--State Appropriation	\$3,049,000
18	NOVA Program Account--State Appropriation	\$963,000
19	TOTAL APPROPRIATION	\$9,538,000

20 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
21 **HEARINGS OFFICE**

22	General Fund--State Appropriation (FY 2014)	\$2,169,000
23	General Fund--State Appropriation (FY 2015)	\$2,091,000
24	TOTAL APPROPRIATION	\$4,260,000

25 NEW SECTION. **Sec. 306. FOR THE CONSERVATION COMMISSION**

26	General Fund--State Appropriation (FY 2014)	\$6,835,000
27	General Fund--State Appropriation (FY 2015)	\$6,732,000
28	General Fund--Federal Appropriation	\$2,301,000
29	State Toxics Control Account--State Appropriation	\$2,000,000
30	TOTAL APPROPRIATION	\$17,868,000

31 The appropriations in this section are subject to the following
32 conditions and limitations:

- 33 (1) The conservation commission, in cooperation with all
34 conservation districts, will seek to minimize conservation district

1 overhead costs. These efforts may include consolidating conservation
2 districts.

3 (2) \$300,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$246,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely to implement the voluntary
6 stewardship program in Thurston and Chelan counties. These amounts may
7 not be used to fund agency indirect and administrative expenses.

8 (3) \$1,000,000 of the general fund--federal appropriation is
9 provided solely to implement the voluntary stewardship program
10 statewide. The commission shall place the appropriation in this
11 subsection in unallotted status, and may not allot any of these funds
12 until the federal government has provided funding to the commission for
13 the purpose of implementing the voluntary stewardship program.

14 (4) \$500,000 of the state toxics control account--state
15 appropriation is provided solely to the south Yakima county
16 conservation district for the purposes of meeting the dairy nutrient
17 management program requirements to protect drinking water aquifers from
18 nitrate contamination. Funding is provided for technical assistance
19 and education for soil sampling and dairy nutrient management plan
20 reporting requirements; assessment of physical integrity manure
21 lagoons; and to secure federal funding for developing conservation
22 practices to protect groundwater from nitrate pollution.

23 (5) \$500,000 of the state toxics control account--state
24 appropriation is provided solely to the Whatcom county conservation
25 district for the purposes of meeting the dairy nutrient management
26 program requirements to protect drinking water aquifers from nitrate
27 contamination. Funding is provided for technical assistance and
28 education for soil sampling and dairy nutrient management plan
29 reporting requirements; assessment of physical integrity manure
30 lagoons; and to secure federal funding for developing conservation
31 practices to protect groundwater from nitrate pollution.

32 **NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

33	General Fund--State Appropriation (FY 2014)	\$29,865,000
34	General Fund--State Appropriation (FY 2015)	\$28,568,000
35	General Fund--Federal Appropriation	\$108,740,000
36	General Fund--Private/Local Appropriation	\$58,770,000
37	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$395,000

1	Aquatic Lands Enhancement Account--State	
2	Appropriation	\$14,462,000
3	Recreational Fisheries Enhancement--State	
4	Appropriation	\$2,587,000
5	Environmental Legacy Stewardship Account--State	
6	Appropriation	\$1,224,000
7	Warm Water Game Fish Account--State Appropriation	\$2,488,000
8	Eastern Washington Pheasant Enhancement Account--State	
9	Appropriation	\$849,000
10	Aquatic Invasive Species Enforcement Account--State	
11	Appropriation	\$209,000
12	Aquatic Invasive Species Prevention Account--State	
13	Appropriation	\$732,000
14	State Wildlife Account--State Appropriation	\$101,494,000
15	Special Wildlife Account--State Appropriation	\$2,397,000
16	Special Wildlife Account--Federal Appropriation	\$500,000
17	Special Wildlife Account--Private/Local Appropriation	\$3,440,000
18	Wildlife Rehabilitation Account--State Appropriation	\$259,000
19	Hydraulic Project Approval Account--State Appropriation	\$674,000
20	Regional Fisheries Enhancement Salmonid Recovery	
21	Account--Federal Appropriation	\$5,001,000
22	Oil Spill Prevention Account--State Appropriation	\$905,000
23	Oyster Reserve Land Account--State Appropriation	\$772,000
24	TOTAL APPROPRIATION	\$364,331,000

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1) \$130,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$130,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely to pay for emergency fire
30 suppression costs. These amounts may not be used to fund agency
31 indirect and administrative expenses.

32 (2) Prior to submitting its 2015-2017 biennial operating and
33 capital budget request related to state fish hatcheries to the office
34 of financial management, the department shall contract with the
35 hatchery scientific review group (HSRG) to review this request. This
36 review shall: (a) Determine if the proposed requests are consistent
37 with HSRG recommendations; (b) prioritize the components of the
38 requests based on their contributions to protecting wild salmonid

1 stocks and meeting the recommendations of the HSRG; and (c) evaluate
2 whether the proposed requests are being made in the most cost effective
3 manner. The department shall provide a copy of the HSRG review to the
4 office of financial management with their agency budget proposal.

5 (3) \$400,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$400,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for a state match to support the
8 Puget Sound nearshore partnership between the department and the U.S.
9 army corps of engineers.

10 (4) Within the amounts appropriated in this section, the department
11 shall identify additional opportunities for partnerships in order to
12 keep fish hatcheries operational. Such partnerships shall aim to
13 maintain fish production and salmon recovery with less reliance on
14 state operating funds.

15 (5) \$10,000 of the aquatic lands enhancement account--state
16 appropriation is provided solely for development of an aquatic invasive
17 species passport program to improve the efficiency and effectiveness of
18 watercraft inspections by expediting aquatic invasive species
19 watercraft inspections for watercraft at low risk of transmitting
20 invasive species and prioritizing the use of available resources for
21 the inspection of high risk vessels.

22 (6) Within the amounts appropriated in this section, the department
23 must deploy additional wildlife conflict specialists to provide
24 landowner assistance and address wildlife conflicts, with at least one
25 additional specialist primarily assigned to each of the following
26 areas: Administrative region six of the department; Okanogan and
27 Chelan counties in administrative region two of the department; and
28 Whatcom and Skagit counties in administrative region four of the
29 department.

30 (7) \$100,000 of the general fund--state appropriation is provided
31 solely for a state match to secure local funding for increasing the
32 fall chinook salmon production on the Cowlitz river.

33 (8) Within the amounts appropriated in this section, the department
34 shall work with the regional fisheries enhancement groups and other
35 stakeholders to identify revenue sources or sources capable of
36 providing long-term funding to support the community-based salmon
37 restoration work of regional fisheries enhancement group. The

1 department shall submit a report to the office of financial management
2 and the appropriate legislative committees by December 1, 2013, with
3 the outcomes and recommendations.

4 (9) Appropriations from the environmental legacy stewardship
5 account in this section shall be made from the state toxic control
6 account if legislation creating and funding the environmental legacy
7 and stewardship account is not enacted by June 30, 2013.

8 (10) \$100,000 of the state wildlife account--state appropriation is
9 provided solely for the transfer of trout from the Clarks creek
10 hatchery to the Lakewood hatchery.

11 (11) \$100,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$100,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the production of steelhead,
14 coho, and Chinook salmon at the Clarks creek hatchery.

15 NEW SECTION. **Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

16	General Fund--State Appropriation (FY 2014)	\$41,304,000
17	General Fund--State Appropriation (FY 2015)	\$43,912,000
18	General Fund--Federal Appropriation	\$26,951,000
19	General Fund--Private/Local Appropriation	\$2,372,000
20	Forest Development Account--State Appropriation	\$47,459,000
21	ORV and Nonhighway Vehicle Account--State Appropriation . .	\$4,479,000
22	Snowmobile Account--State Appropriation	\$100,000
23	Surveys and Maps Account--State Appropriation	\$2,164,000
24	Aquatic Lands Enhancement Account--State Appropriation . . .	\$5,701,000
25	Environmental Legacy Stewardship Account--State	
26	Appropriation	\$3,458,000
27	Resources Management Cost Account--State	
28	Appropriation	\$112,113,000
29	Surface Mining Reclamation Account--State Appropriation . .	\$3,956,000
30	Disaster Response Account--State Appropriation	\$5,000,000
31	Forest and Fish Support Account--State Appropriation . . .	\$11,761,000
32	Aquatic Land Dredged Material Disposal Site	
33	Account--State Appropriation	\$843,000
34	Natural Resources Conservation Areas Stewardship	
35	Account--State Appropriation	\$34,000
36	State Toxics Control Account--State Appropriation	\$80,000
37	Forest Practices Application Account--State	

1	Appropriation	\$1,697,000
2	Air Pollution Control Account--State Appropriation	\$780,000
3	NOVA Program Account--State Appropriation	\$948,000
4	Derelict Vessel Removal Account--State Appropriation	\$1,345,000
5	Marine Resources Stewardship Account--State	
6	Appropriation	\$3,700,000
7	Agricultural College Trust Management Account--State	
8	Appropriation	\$2,703,000
9	TOTAL APPROPRIATION	\$322,860,000

10 The appropriations in this section are subject to the following
11 conditions and limitations:

12 (1) \$1,393,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$1,331,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for deposit into the agricultural
15 college trust management account and are provided solely to manage
16 approximately 70,700 acres of Washington State University's
17 agricultural college trust lands.

18 (2) \$19,099,000 of the general fund--state appropriation for fiscal
19 year 2014, \$19,099,000 of the general fund--state appropriation for
20 fiscal year 2015, and \$5,000,000 of the disaster response account--
21 state appropriation are provided solely for emergency fire suppression.
22 None of the general fund and disaster response account amounts provided
23 in this subsection may be used to fund agency indirect and
24 administrative expenses. Agency indirect and administrative costs
25 shall be allocated among the agency's remaining accounts and
26 appropriations. The department of natural resources shall submit a
27 quarterly report to the office of financial management and the
28 legislative fiscal committees detailing information on current and
29 planned expenditures from the disaster response account. This work
30 shall be done in coordination with the military department.

31 (3) \$5,000,000 of the forest and fish support account--state
32 appropriation is provided solely for outcome-based, performance
33 contracts with tribes to participate in the implementation of the
34 forest practices program. Contracts awarded may only contain indirect
35 costs set at or below the rate in the contracting tribe's indirect cost
36 agreement with the federal government. If federal funding for this
37 purpose is reinstated, the amount provided in this subsection shall
38 lapse.

1 (4) \$518,000 of the forest and fish support account--state
2 appropriation is provided solely for outcome-based performance
3 contracts with nongovernmental organizations to participate in the
4 implementation of the forest practices program. Contracts awarded may
5 only contain indirect cost set at or below a rate of eighteen percent.

6 (5) \$717,000 of the forest and fish support account--state
7 appropriation is provided solely to fund interagency agreements with
8 the department of ecology and the department of fish and wildlife as
9 part of the adaptive management process.

10 (6) \$440,000 of the state general fund--state appropriation for
11 fiscal year 2014 and \$440,000 of the state general fund--state
12 appropriation for fiscal year 2015 are provided solely for forest work
13 crews that support correctional camps and are contingent upon
14 continuing operations of Naselle youth camp.

15 (7) \$2,382,000 of the resource management cost account--state
16 appropriation is provided solely to address the growing backlog of
17 expired aquatic leases and new aquatic lease applications. In
18 addition, the department shall implement a Lean process to improve the
19 lease review process and further reduce the backlog. The department
20 shall submit a report on its progress in addressing the backlog and
21 implementation of the Lean process to the governor and the appropriate
22 committees of the legislature by October 1, 2013.

23 (8) \$1,948,000 of the environmental legacy stewardship account--
24 state appropriation is provided solely for the department to pay a
25 portion of the costs to complete remedial investigation work at
26 Whitmarsh landfill and Mill site A and perform final-year maintenance
27 of the Olympic view triangle site in Commencement Bay.

28 (9) \$510,000 of the environmental legacy stewardship account--state
29 appropriation is provided solely to the department to collaborate with
30 the University of Washington and the department of ecology to assess
31 the effects of the ocean pH balance.

32 (10) \$3,700,000 of the marine resources stewardship account--state
33 appropriation is provided solely for implementation of priority marine
34 management planning efforts including mapping activities, ecological
35 assessment, data tools, and stakeholder engagement.

36 (11) Appropriations from the environmental legacy stewardship
37 account in this section shall be made from the state toxic control

1 account if legislation creating and funding the environmental legacy
2 and stewardship account is not enacted by June 30, 2013.

3 NEW SECTION. **Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

4	General Fund--State Appropriation (FY 2014)	\$14,804,000
5	General Fund--State Appropriation (FY 2015)	\$14,802,000
6	General Fund--Federal Appropriation	\$23,066,000
7	General Fund--Private/Local Appropriation	\$192,000
8	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,842,000
9	State Toxics Control Account--State Appropriation	\$5,174,000
10	Water Quality Permit Account--State Appropriation	\$67,000
11	Agricultural Local Fund Appropriation	\$275,000
12	TOTAL APPROPRIATION	\$61,222,000

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) \$5,308,445 of the general fund--state appropriation for fiscal
16 year 2014 and \$5,302,905 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for implementing the food
18 assistance program as defined in RCW 43.23.290.

19 (2) Pursuant to RCW 43.135.055 and 16.57.220, the department is
20 authorized to institute livestock inspection fees in the 2013-2015
21 fiscal biennium for calves less than thirty days old.

22 (3) In accordance with RCW 43.135.055, the department is authorized
23 to adopt fees set forth in and previously authorized in chapter 204,
24 Laws of 2011 relating to administering the animal disease traceability
25 activities.

26 (4) \$125,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$125,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for funding for the small farm and
29 direct marketing and farm to school programs. The programs assist
30 farmers selling directly to consumers and increase access to healthy
31 foods in schools for children.

32 (5) \$275,000 of the agricultural local fund appropriation is
33 provided solely for the implementation of the animal disease
34 traceability program including data entry costs and modernization of
35 current processes, systems, and equipment used to gather, manage,
36 analyze, and report on animal health, ownership, and movements into and

1 out of Washington state to be able to meet the United States department
2 of agriculture traceability requirements.

3 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
4 **INSURANCE PROGRAM**

5 Pollution Liability Insurance Program Trust
6 Account--State Appropriation \$986,000

7 NEW SECTION. **Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

8 General Fund--State Appropriation (FY 2014) \$2,371,000
9 General Fund--State Appropriation (FY 2015) \$2,275,000
10 General Fund--Federal Appropriation \$11,585,000
11 Aquatic Lands Enhancement Account--State Appropriation . . . \$1,815,000
12 State Toxics Control Account--State Appropriation \$677,000
13 TOTAL APPROPRIATION \$18,723,000

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) \$778,000 of the aquatic lands enhancement account--state
17 appropriation is provided solely for coordinating a study of Puget
18 Sound juvenile steelhead marine survival conducted by the department of
19 fish and wildlife and based on a study plan developed in cooperation
20 with federal, tribal, and nongovernmental entities.

21 (2) By October 1, 2014, the Puget Sound partnership shall provide
22 the governor a single, prioritized list of state agency 2015-2017
23 capital and operating budget requests related to Puget Sound
24 restoration.

(End of part)

PART IV
TRANSPORTATION

NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF LICENSING

4	General Fund--State Appropriation (FY 2014)	\$1,078,000
5	General Fund--State Appropriation (FY 2015)	\$1,317,000
6	Architects' License Account--State Appropriation	\$904,000
7	Professional Engineers' Account--State Appropriation	\$3,568,000
8	Real Estate Commission Account--State Appropriation	\$9,961,000
9	Uniform Commercial Code Account--State Appropriation	\$3,158,000
10	Real Estate Education Program Account--State	
11	Appropriation	\$276,000
12	Real Estate Appraiser Commission Account--State	
13	Appropriation	\$1,710,000
14	Business and Professions Account--State Appropriation	\$16,180,000
15	Real Estate Research Account--State Appropriation	\$415,000
16	Funeral and Cemetery Account--State Appropriation	\$5,000
17	Landscape Architects' License Account--State Appropriation	\$4,000
18	Appraisal Management Company Account--State Appropriation	\$4,000
19	Geologists' Account--State Appropriation	\$52,000
20	Derelict Vessel Removal Account--State Appropriation	\$31,000
21	TOTAL APPROPRIATION	\$38,663,000

NEW SECTION. Sec. 402. FOR THE STATE PATROL

23	General Fund--State Appropriation (FY 2014)	\$33,890,000
24	General Fund--State Appropriation (FY 2015)	\$31,727,000
25	General Fund--Federal Appropriation	\$16,183,000
26	General Fund--Private/Local Appropriation	\$3,020,000
27	Death Investigations Account--State Appropriation	\$9,948,000
28	Enhanced 911 Account--State Appropriation	\$3,480,000
29	County Criminal Justice Assistance Account--State	
30	Appropriation	\$3,320,000
31	Municipal Criminal Justice Assistance Account--State	
32	Appropriation	\$1,344,000
33	Fire Service Trust Account--State Appropriation	\$131,000
34	Vehicle License Fraud Account--State Appropriation	\$448,000
35	Disaster Response Account--State Appropriation	\$8,000,000

1 Fire Service Training Account--State Appropriation \$9,490,000
 2 Aquatic Invasive Species Enforcement Account--State
 3 Appropriation \$54,000
 4 State Toxics Control Account--State Appropriation \$514,000
 5 Fingerprint Identification Account--State
 6 Appropriation \$10,571,000
 7 TOTAL APPROPRIATION \$132,120,000

8 The appropriations in this section are subject to the following
 9 conditions and limitations:

10 (1) \$200,000 of the fire service training account--state
 11 appropriation is provided solely for two FTEs in the office of the
 12 state director of fire protection to exclusively review K-12
 13 construction documents for fire and life safety in accordance with the
 14 state building code. It is the intent of this appropriation to provide
 15 these services only to those districts that are located in counties
 16 without qualified review capabilities.

17 (2) \$8,000,000 of the disaster response account--state
 18 appropriation is provided solely for Washington state fire service
 19 resource mobilization costs incurred in response to an emergency or
 20 disaster authorized under RCW 43.43.960 and 43.43.964. The state
 21 patrol shall submit a report quarterly to the office of financial
 22 management and the legislative fiscal committees detailing information
 23 on current and planned expenditures from this account. This work shall
 24 be done in coordination with the military department.

25 (3) \$400,000 of the fire service training account--state
 26 appropriation is provided solely for the firefighter apprenticeship
 27 training program.

(End of part)

PART V
EDUCATION

NEW SECTION. **Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2014)	\$17,090,000
General Fund--State Appropriation (FY 2015)	\$16,831,000
General Fund--Federal Appropriation	\$63,826,000
General Fund--Private/Local Appropriation	\$4,003,000
Performance Audits of Government Account--State Appropriation	\$200,000
TOTAL APPROPRIATION	\$101,950,000

The appropriations in this section are subject to the following conditions and limitations:

(1) A maximum of \$14,112,000 of the general fund--state appropriation for fiscal year 2014 and \$14,060,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) \$8,662,000 of the general fund--state appropriation for fiscal year 2014 and \$8,604,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall:

(A) Recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award; and

(B) Consistent with Senate Bill No. 5818, work with school districts and the state board of education to:

(I) Improve access to and quality of career and technical education, which prepares students for lifelong learning and employment;

(II) Ensure that every student receives comprehensive career guidance that leads to a personalized program of study that will guide course selection and other high school activities;

1 (III) Require career and technical education teachers and school
2 administrators to be prepared and supported in their roles; and

3 (IV) Assure that career and technical education is a results-driven
4 education system so as to demonstrate a positive return on investment.

5 (ii) Districts shall report to the office of the superintendent of
6 public instruction daily student unexcused absence data by school,
7 using a uniform definition of unexcused absence as established by the
8 superintendent.

9 (iii) By September of each year, the office of the superintendent
10 of public instruction shall produce an annual status report of the
11 budget provisos in sections 501 and 513 of this act. The status report
12 of each proviso shall include, but not be limited to, the following
13 information: Purpose and objective, number of staff, number of
14 contractors, status of proviso implementation, number of beneficiaries
15 by year, list of beneficiaries, and proviso outcomes and achievements.

16 (iv) The amounts provided in this subsection (1)(a) include LEAN
17 management reductions of \$240,000 in fiscal year 2014 and reductions of
18 \$240,000 in fiscal year 2015. The reductions implemented shall be
19 taken in areas other than: School apportionment and financial
20 services, the agency budget office, audit management and resolution,
21 and data collection and reporting.

22 (b) \$1,017,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$1,017,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for activities associated with the
25 implementation of new school finance systems required by chapter 236,
26 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
27 (state's education system), including technical staff, systems
28 reprogramming, and workgroup deliberations, including the quality
29 education council and the data governance working group.

30 (c) \$1,012,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$1,012,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for the operation and expenses of
33 the state board of education, including basic education assistance
34 activities. Of these amounts, \$161,000 of the general fund--state
35 appropriation for fiscal year 2014 and \$161,000 of the general fund--
36 state appropriation for fiscal year 2015 are provided for
37 implementation of Initiative Measure No. 1240 (charter schools).

1 (d) \$890,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$890,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely to the professional educator
4 standards board for the operation and expenses of the Washington
5 professional educator standards board;

6 (e) \$133,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$133,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for the implementation of chapter
9 240, Laws of 2010, including staffing the office of equity and civil
10 rights.

11 (f) \$50,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$50,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the ongoing work of the
14 education opportunity gap oversight and accountability committee.

15 (g) \$45,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$45,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the implementation of chapter
18 380, Laws of 2009 (enacting the interstate compact on educational
19 opportunity for military children).

20 (h) \$131,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$131,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the implementation of
23 Initiative Measure No. 1240 (charter schools).

24 (i) \$1,826,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$1,802,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for implementing a comprehensive
27 data system to include financial, student, and educator data, including
28 development and maintenance of the comprehensive education data and
29 research system (CEDARS).

30 (j) \$123,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$123,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for implementation of chapter 163,
33 Laws of 2012 (foster care outcomes). The office of the superintendent
34 of public instruction shall annually report each December on the
35 implementation of the state's plan of cross-system collaboration to
36 promote educational stability and improve education outcomes of foster
37 youth.

1 (k) \$93,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$93,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for chapter 185, Laws of 2011
4 (bullying prevention, which requires the office of the superintendent
5 of public instruction to convene an ongoing workgroup on school
6 bullying and harassment prevention. Within the amounts provided,
7 \$140,000 is for youth suicide prevention activities.

8 (l) \$100,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$100,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Mobius science center to
11 expand mobile outreach of science, technology, engineering, and
12 mathematics (STEM) education to students in rural, tribal, and low-
13 income communities.

14 (m) \$30,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$60,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the superintendent of public
17 instruction to contract with the center for reinventing public
18 education, affiliated with the University of Washington, to develop a
19 research-based set of recommendations to revise the current salary
20 allocation schedule to create a new educator compensation model for
21 certificated instructional staff and principals. The new model is
22 intended to have a more flexible structure, be more data-driven, and
23 encourage innovation by using salary differentials by school districts
24 to reflect employee skills and working conditions. The new model is
25 intended to be multidimensional and address performance evaluations,
26 specialties, cost-of-living differentials, and additional
27 responsibilities. Levy equalization, salary equalization to eliminate
28 grandfathered school districts at a higher level, and small schools
29 would also need to be addressed. The compensation model may be the
30 same model for both teachers and principals or it may be two different
31 models, one for teachers and one for principals and other building
32 administrators. An interim report is due to the legislative education
33 policy committees and fiscal committees by December 1, 2013, and a
34 final report with the new model or models is due by December 1, 2014.
35 Additionally, there will be public meetings for the committees to
36 receive adequate informational updates and provide additional
37 direction.

1 (2) \$2,978,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$2,771,000 of the general fund--state appropriation for
3 fiscal year 2015 are for statewide programs.

4 (a) HEALTH AND SAFETY

5 (i) \$50,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$50,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for a nonviolence and leadership
8 training program provided by the institute for community leadership.

9 (ii) \$17,000 of the general fund--state appropriation for fiscal
10 year 2014 is provided solely to collaborate with the department of
11 social and health services on a mental health first-aid project by
12 identifying sites and methods of instruction that leverage local
13 resources to the extent possible for the purpose of making mental
14 health first-aid training broadly available.

15 (b) TECHNOLOGY

16 \$1,221,000 of the general fund--state appropriation for fiscal year
17 2014 and \$1,221,000 of the general fund--state appropriation for fiscal
18 year 2015 are provided solely for K-20 telecommunications network
19 technical support in the K-12 sector to prevent system failures and
20 avoid interruptions in school utilization of the data processing and
21 video-conferencing capabilities of the network. These funds may be
22 used to purchase engineering and advanced technical support for the
23 network.

24 (c) GRANTS AND ALLOCATIONS

25 (i) \$1,400,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$1,400,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for the implementation of chapter
28 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the
29 development and implementation of the Washington kindergarten inventory
30 of developing skills (WaKIDS).

31 (ii) \$100,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$100,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely to subsidize advanced placement
34 exam fees and international baccalaureate class fees and exam fees for
35 low-income students. To be eligible for the subsidy, a student must be
36 either enrolled or eligible to participate in the federal free or
37 reduced price lunch program, and the student must have maximized the
38 allowable federal contribution. The office of the superintendent of

1 public instruction shall set the subsidy in an amount so that the
2 advanced placement exam fee does not exceed \$15.00 and the combined
3 class and exam fee for the international baccalaureate does not exceed
4 \$14.50.

5 (iii) \$190,000 of the general fund--state appropriation for fiscal
6 year 2014 is provided solely to implement Engrossed Second Substitute
7 Senate Bill No. 5244 (school suspensions and expulsions). Included in
8 this amount is \$25,000 for the office of the superintendent of public
9 instruction to contract with the Washington state school directors'
10 association costs of developing model policy. If the bill is not
11 enacted by June 30, 2013, the amounts provided in this subsection shall
12 lapse.

13 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

15	General Fund--State Appropriation (FY 2014)	\$5,289,047,000
16	General Fund--State Appropriation (FY 2015)	\$5,352,270,000
17	Education Legacy Trust Account--State Appropriation . . .	\$498,164,000
18	TOTAL APPROPRIATION	\$11,139,481,000

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1)(a) Each general fund fiscal year appropriation includes such
22 funds as are necessary to complete the school year ending in the fiscal
23 year and for prior fiscal year adjustments.

24 (b) For the 2013-14 and 2014-15 school years, the superintendent
25 shall allocate general apportionment funding to school districts as
26 provided in the funding formulas and salary schedules in sections 502
27 and 503 of this act, excluding (c) of this subsection.

28 (c) From July 1, 2013 to August 31, 2013, the superintendent shall
29 allocate general apportionment funding to school districts programs as
30 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.
31 sess., as amended through sections 502 and 503 of the 2013 omnibus
32 supplemental operating appropriations act (Senate Bill No. 5033).

33 (d) The enrollment of any district shall be the annual average
34 number of full-time equivalent students and part-time students as
35 provided in RCW 28A.150.350, enrolled on the fourth day of school in
36 September and on the first school day of each month October through
37 June, including students who are in attendance pursuant to RCW

1 28A.335.160 and 28A.225.250 who do not reside within the servicing
2 school district. Any school district concluding its basic education
3 program in May must report the enrollment of the last school day held
4 in May in lieu of a June enrollment.

5 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

6 Allocations for certificated instructional staff salaries for the
7 2013-14 and 2014-15 school years are determined using formula-generated
8 staff units calculated pursuant to this subsection.

9 (a) Certificated instructional staff units, as defined in RCW
10 28A.150.410, shall be allocated to reflect the minimum class size
11 allocations, requirements, and school prototypes assumptions as
12 provided in RCW 28A.150.260. The superintendent shall make allocations
13 to school districts based on the district's annual average full-time
14 equivalent student enrollment in each grade.

15 (b) Additional certificated instructional staff units provided in
16 this subsection (2) that exceed the minimum requirements in RCW
17 28A.150.260 are enhancements outside the program of basic education,
18 except as otherwise provided in this section.

19 (c)(i) The superintendent shall base allocations for each level of
20 prototypical school on the following regular education average class
21 size of full-time equivalent students per teacher, except as provided
22 in (c)(ii) of this subsection:

23

24	General education class size:	
25	Grade	RCW 28A.150.260
26	Grades K-3	..... 25.23
27	Grade 4	..... 27.00
28	Grades 5-6	..... 27.00
29	Grades 7-8	..... 28.53
30	Grades 9-12	..... 28.74

31 The superintendent shall base allocations for career and technical
32 education (CTE) and skill center programs average class size as
33 provided in RCW 28A.150.260.

34 (ii)(A) For each level of prototypical school at which more than
35 fifty percent of the students were eligible for free and reduced-price

1 meals in the prior school year, the superintendent shall allocate
2 funding based on the following average class size of full-time
3 equivalent students per teacher:

4 General education class size in high poverty
5 school:

6 Grades K-2	24.10
7 Grade 3	24.10
8 Grade 4	27.00
9 Grades 5-6	27.00
10 Grades 7-8	28.53
11 Grades 9-12	28.74

12 (B) Districts must demonstrate compliance of the class sizes
13 provided in (c)(ii)(A) of this subsection as a condition of receipt of
14 funds.

15 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
16 planning period, expressed as a percentage of a teacher work day, is
17 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

18 (iv) Laboratory science, advanced placement, and international
19 baccalaureate courses are funded at the same class size assumptions as
20 general education schools in the same grade; and

21 (d)(i) Funding for teacher librarians, school nurses, social
22 workers, school psychologists, and guidance counselors is allocated
23 based on the school prototypes as provided in RCW 28A.150.260 and is
24 considered certificated instructional staff, except as provided in
25 (d)(ii) of this subsection.

26 (ii) Students in approved career and technical education and skill
27 center programs generate certificated instructional staff units to
28 provide for the services of teacher librarians, school nurses, social
29 workers, school psychologists, and guidance counselors at the following
30 combined rate per 1000 students:

31 Career and Technical Education

32 students	2.02 per 1000 student FTE's
33 Skill Center students	2.36 per 1000 student FTE's

34 (3) ADMINISTRATIVE STAFF ALLOCATIONS

1 (a) Allocations for school building-level certificated
 2 administrative staff salaries for the 2013-14 and 2014-15 school years
 3 for general education students are determined using the formula
 4 generated staff units calculated pursuant to this subsection. The
 5 superintendent shall make allocations to school districts based on the
 6 district's annual average full-time equivalent enrollment in each
 7 grade. The following prototypical school values shall determine the
 8 allocation for principals, assistance principals, and other
 9 certificated building level administrators:

10 Prototypical School Building:

11 Elementary School	.....	1.253
12 Middle School	.....	1.353
13 High School	.....	1.880

14 (b) Students in approved career and technical education and skill
 15 center programs generate certificated school building-level
 16 administrator staff units at per student rates that are a multiple of
 17 the general education rate in (a) of this subsection by the following
 18 factors:

19 Career and Technical Education students	1.025
20 Skill Center students	1.198

21 (4) CLASSIFIED STAFF ALLOCATIONS

22 Allocations for classified staff units providing school building-
 23 level and district-wide support services for the 2013-14 and 2014-15
 24 school years are determined using the formula-generated staff units
 25 provided in RCW 28A.150.260, and adjusted based on each district's
 26 annual average full-time equivalent student enrollment in each grade.

27 (5) CENTRAL OFFICE ALLOCATIONS

28 In addition to classified and administrative staff units allocated
 29 in subsections (3) and (4) of this section, classified and
 30 administrative staff units are provided for the 2013-14 and 2014-15
 31 school year for the central office administrative costs of operating a
 32 school district, at the following rates:

1 (a) The total central office staff units provided in this
2 subsection (5) are calculated by first multiplying the total number of
3 eligible certificated instructional, certificated administrative, and
4 classified staff units providing school-based or district-wide support
5 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

6 (b) Of the central office staff units calculated in (a) of this
7 subsection, 74.53 percent are allocated as classified staff units, as
8 generated in subsection (4) of this section, and 25.47 percent shall be
9 allocated as administrative staff units, as generated in subsection (3)
10 of this section.

11 (c) Staff units generated as enhancements outside the program of
12 basic education to the minimum requirements of RCW 28A.150.260, and
13 staff units generated by skill center and career-technical students,
14 are excluded from the total central office staff units calculation in
15 (a) of this subsection.

16 (d) For students in approved career-technical and skill center
17 programs, central office classified units are allocated at the same
18 staff unit per student rate as those generated for general education
19 students of the same grade in this subsection (5), and central office
20 administrative staff units are allocated at staff unit per student
21 rates that exceed the general education rate established for students
22 in the same grade in this subsection (5) by 1.97 percent for career and
23 technical education students, and 21.92 percent for skill center
24 students.

25 (6) FRINGE BENEFIT ALLOCATIONS

26 Fringe benefit allocations shall be calculated at a rate of 18.68
27 percent in the 2013-14 school year and 18.68 percent in the 2014-15
28 school year for certificated salary allocations provided under
29 subsections (2), (3), and (5) of this section, and a rate of 20.95
30 percent in the 2013-14 school year and 20.95 percent in the 2014-15
31 school year for classified salary allocations provided under
32 subsections (4) and (5) of this section.

33 (7) INSURANCE BENEFIT ALLOCATIONS

34 Insurance benefit allocations shall be calculated at the rate
35 specified in section 504 of this act, resulting from the incremental
36 changes specified in section 504 of this act, based on the number of
37 benefit units determined as follows:

1 (a) The number of certificated staff units determined in
2 subsections (2), (3), and (5) of this section; and

3 (b) The number of classified staff units determined in subsections
4 (4) and (5) of this section multiplied by 1.152. This factor is
5 intended to adjust allocations so that, for the purposes of
6 distributing insurance benefits, full-time equivalent classified
7 employees may be calculated on the basis of 1440 hours of work per
8 year, with no individual employee counted as more than one full-time
9 equivalent.

10 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS
11 Funding is allocated per annual average full-time equivalent
12 student for the materials, supplies, and operating costs (MSOC)
13 incurred by school districts, consistent with the requirements of RCW
14 28A.150.260.

15 (a)(i) MSOC funding for general education students are allocated at
16 the following per student rates:

17 MSOC RATES/STUDENT FTE

18 MSOC Component	19 2013-14	20 2014-15
	21 SCHOOL YEAR	SCHOOL YEAR
22 Technology	\$67.95	\$112.76
23 Utilities and Insurance	\$184.63	\$306.39
24 Curriculum and Textbooks	\$72.95	\$121.05
25 Other Supplies and Library Materials	\$154.88	\$257.02
26 Instructional Professional Development for Certificated 27 and Classified Staff	\$11.28	\$18.72
28 Facilities Maintenance	\$91.47	\$151.78
29 Security and Central Office	\$63.37	\$105.15
30 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$646.53	\$1,072.87

31 (ii) The total MSOC allocations provided in (a)(i) of this
32 subsection are an enhancement above maintenance level by the following
33 inflation adjusted amounts: \$83.65 for the 2013-14 school year and
34 \$500.42 for the 2014-15 school year. The enhanced MSOC allocation for

1 the 2014-15 school year represents full funding of school districts'
2 reported actual costs for the 2011-12 school year, adjusted for
3 inflation.

4 (b) Students in approved skill center programs generate per student
5 FTE MSOC allocations of \$2,765.49 for the 2013-14 school year and
6 \$2,812.50 for the 2014-15 school year. Values reflect school
7 districts' reported actual costs for the 2011-12 school year, adjusted
8 for inflation.

9 (c) Students in approved exploratory and preparatory career and
10 technical education programs generate a per student MSOC allocation of
11 \$792.49 for the 2013-14 school year and \$805.96 for the 2014-15 school
12 year. Values reflect school districts' reported actual costs for the
13 2011-12 school year, adjusted for inflation.

14 (d) Students in laboratory science courses generate per student FTE
15 MSOC allocations which equal the per student FTE rate for general
16 education students established in (a) of this subsection.

17 (9) SUBSTITUTE TEACHER ALLOCATIONS

18 For the 2013-14 and 2014-15 school years, funding for substitute
19 costs for classroom teachers is based on four (4) funded substitute
20 days per classroom teacher unit generated under subsection (2) of this
21 section, at a daily substitute rate of \$151.86.

22 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

23 (a) Amounts provided in this section from July 1, 2013, to August
24 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of
25 2011 1st sp. sess. (allocation of funding for funding for students
26 enrolled in alternative learning experiences).

27 (b) Amounts provided in this section from September 1, 2013,
28 through June 30, 2015, reflect provisions of Second Substitute Senate
29 Bill No. 5794 (alternative learning experience courses).

30 (c) The superintendent of public instruction shall require all
31 districts receiving general apportionment funding for alternative
32 learning experience (ALE) programs as defined in WAC 392-121-182 to
33 provide separate financial accounting of expenditures for the ALE
34 programs offered in district or with a provider, including but not
35 limited to private companies and multidistrict cooperatives, as well as
36 accurate, monthly headcount and FTE enrollment claimed for basic
37 education, including separate counts of resident and nonresident
38 students.

1 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

2 Funding in this section is sufficient to fund voluntary full day
3 kindergarten programs in qualifying high poverty schools, pursuant to
4 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
5 for the voluntary full-day program in a qualifying school shall count
6 as one-half of one full-time equivalent student for purpose of making
7 allocations under this section. Funding in this section provides full-
8 day kindergarten programs for 30 percent of kindergarten enrollment in
9 the 2013-14 school year, and 35 percent in the 2014-15 school year.
10 Funding priority shall be given to schools with the highest poverty
11 levels, as measured by prior year free and reduced price lunch
12 eligibility rates in each school.

13 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
14 NECESSARY PLANTS

15 For small school districts and remote and necessary school plants
16 within any district which have been judged to be remote and necessary
17 by the superintendent of public instruction, additional staff units are
18 provided to ensure a minimum level of staffing support. Additional
19 administrative and certificated instructional staff units provided to
20 districts in this subsection shall be reduced by the general education
21 staff units, excluding career and technical education and skills center
22 enhancement units, otherwise provided in subsections (2) through (5) of
23 this section on a per district basis.

24 (a) For districts enrolling not more than twenty-five average
25 annual full-time equivalent students in grades K-8, and for small
26 school plants within any school district which have been judged to be
27 remote and necessary by the superintendent of public instruction and
28 enroll not more than twenty-five average annual full-time equivalent
29 students in grades K-8:

30 (i) For those enrolling no students in grades 7 and 8, 1.76
31 certificated instructional staff units and 0.24 certificated
32 administrative staff units for enrollment of not more than five
33 students, plus one-twentieth of a certificated instructional staff unit
34 for each additional student enrolled; and

35 (ii) For those enrolling students in grades 7 or 8, 1.68
36 certificated instructional staff units and 0.32 certificated
37 administrative staff units for enrollment of not more than five

1 students, plus one-tenth of a certificated instructional staff unit for
2 each additional student enrolled;

3 (b) For specified enrollments in districts enrolling more than
4 twenty-five but not more than one hundred average annual full-time
5 equivalent students in grades K-8, and for small school plants within
6 any school district which enroll more than twenty-five average annual
7 full-time equivalent students in grades K-8 and have been judged to be
8 remote and necessary by the superintendent of public instruction:

9 (i) For enrollment of up to sixty annual average full-time
10 equivalent students in grades K-6, 2.76 certificated instructional
11 staff units and 0.24 certificated administrative staff units; and

12 (ii) For enrollment of up to twenty annual average full-time
13 equivalent students in grades 7 and 8, 0.92 certificated instructional
14 staff units and 0.08 certificated administrative staff units;

15 (c) For districts operating no more than two high schools with
16 enrollments of less than three hundred average annual full-time
17 equivalent students, for enrollment in grades 9-12 in each such school,
18 other than alternative schools, except as noted in this subsection:

19 (i) For remote and necessary schools enrolling students in any
20 grades 9-12 but no more than twenty-five average annual full-time
21 equivalent students in grades K-12, four and one-half certificated
22 instructional staff units and one-quarter of a certificated
23 administrative staff unit;

24 (ii) For all other small high schools under this subsection, nine
25 certificated instructional staff units and one-half of a certificated
26 administrative staff unit for the first sixty average annual full-time
27 equivalent students, and additional staff units based on a ratio of
28 0.8732 certificated instructional staff units and 0.1268 certificated
29 administrative staff units per each additional forty-three and one-half
30 average annual full-time equivalent students;

31 (iii) Districts receiving staff units under this subsection shall
32 add students enrolled in a district alternative high school and any
33 grades nine through twelve alternative learning experience programs
34 with the small high school enrollment for calculations under this
35 subsection;

36 (d) For each nonhigh school district having an enrollment of more
37 than seventy annual average full-time equivalent students and less than

1 one hundred eighty students, operating a grades K-8 program or a grades
2 1-8 program, an additional one-half of a certificated instructional
3 staff unit;

4 (e) For each nonhigh school district having an enrollment of more
5 than fifty annual average full-time equivalent students and less than
6 one hundred eighty students, operating a grades K-6 program or a grades
7 1-6 program, an additional one-half of a certificated instructional
8 staff unit;

9 (f)(i) For enrollments generating certificated staff unit
10 allocations under (a) through (e) of this subsection, one classified
11 staff unit for each 2.94 certificated staff units allocated under such
12 subsections;

13 (ii) For each nonhigh school district with an enrollment of more
14 than fifty annual average full-time equivalent students and less than
15 one hundred eighty students, an additional one-half of a classified
16 staff unit; and

17 (g) School districts receiving additional staff units to support
18 small student enrollments and remote and necessary plants under
19 subsection (12) of this section shall generate additional MSOC
20 allocations consistent with the nonemployee related costs (NERC)
21 allocation formula in place for the 2010-11 school year as provided
22 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental
23 budget), adjusted annually for inflation.

24 (13) Any school district board of directors may petition the
25 superintendent of public instruction by submission of a resolution
26 adopted in a public meeting to reduce or delay any portion of its basic
27 education allocation for any school year. The superintendent of public
28 instruction shall approve such reduction or delay if it does not impair
29 the district's financial condition. Any delay shall not be for more
30 than two school years. Any reduction or delay shall have no impact on
31 levy authority pursuant to RCW 84.52.0531 and local effort assistance
32 pursuant to chapter 28A.500 RCW.

33 (14) The superintendent may distribute funding for the following
34 programs outside the basic education formula during fiscal years 2014
35 and 2015 as follows:

36 (a) \$607,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$617,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for fire protection for school
2 districts located in a fire protection district as now or hereafter
3 established pursuant to chapter 52.04 RCW.

4 (b) \$436,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$436,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for programs providing skills
7 training for secondary students who are enrolled in extended day
8 school-to-work programs, as approved by the superintendent of public
9 instruction. The funds shall be allocated at a rate not to exceed \$500
10 per full-time equivalent student enrolled in those programs.

11 (15) \$214,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$218,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for school district emergencies as
14 certified by the superintendent of public instruction. At the close of
15 the fiscal year the superintendent of public instruction shall report
16 to the office of financial management and the appropriate fiscal
17 committees of the legislature on the allocations provided to districts
18 and the nature of the emergency.

19 (16) Funding in this section is sufficient to fund a maximum of
20 1.6 FTE enrollment for skills center students pursuant to chapter 463,
21 Laws of 2007.

22 (17) Students participating in running start programs may be funded
23 up to a combined maximum enrollment of 1.2 FTE including school
24 district and institution of higher education enrollment. In
25 calculating the combined 1.2 FTE, the office of the superintendent of
26 public instruction may average the participating student's September
27 through June enrollment to account for differences in the start and end
28 dates for courses provided by the high school and higher education
29 institution. Additionally, the office of the superintendent of public
30 instruction, in consultation with the state board for community and
31 technical colleges, the student achievement council, and the education
32 data center, shall annually track and report to the fiscal committees
33 of the legislature on the combined FTE experience of students
34 participating in the running start program, including course load
35 analyses at both the high school and community and technical college
36 system.

37 (18) If two or more school districts consolidate and each district

1 was receiving additional basic education formula staff units pursuant
2 to subsection (12) of this section, the following apply:

3 (a) For three school years following consolidation, the number of
4 basic education formula staff units shall not be less than the number
5 of basic education formula staff units received by the districts in the
6 school year prior to the consolidation; and

7 (b) For the fourth through eighth school years following
8 consolidation, the difference between the basic education formula staff
9 units received by the districts for the school year prior to
10 consolidation and the basic education formula staff units after
11 consolidation pursuant to subsection (12) of this section shall be
12 reduced in increments of twenty percent per year.

13 (19)(a) Indirect cost charges by a school district to approved
14 career and technical education middle and secondary programs shall not
15 exceed 15 percent of the combined basic education and career and
16 technical education program enhancement allocations of state funds.
17 Middle and secondary career and technical education programs are
18 considered separate programs for funding and financial reporting
19 purposes under this section.

20 (b) Career and technical education program full-time equivalent
21 enrollment shall be reported on the same monthly basis as the
22 enrollment for students eligible for basic support, and payments shall
23 be adjusted for reported career and technical education program
24 enrollments on the same monthly basis as those adjustments for
25 enrollment for students eligible for basic support.

26 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
27 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

28 (1) The following calculations determine the salaries used in the
29 state allocations for certificated instructional, certificated
30 administrative, and classified staff units as provided in RCW
31 28A.150.280 and under section 502 of this act:

32 (a) Salary allocations for certificated instructional staff units
33 are determined for each district by multiplying the district's
34 certificated instructional total base salary shown on LEAP Document 2
35 by the district's average staff mix factor for certificated
36 instructional staff in that school year, computed using LEAP document
37 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 29, 2013, at 09:10 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on March 29, 2013, at 11:16 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 18.04 percent for school year 2013-14 and 18.04 percent for school year 2014-15 for certificated instructional and certificated administrative staff and 17.45 percent for school year 2013-14 and 17.45 percent for the 2014-15 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14

*** Education Experience ***

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90
									OR Ph.D.
0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723

1	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
2	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
3	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
4	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
5	11				46,772	50,121	52,557	50,249	53,599	56,034
6	12				48,249	51,761	54,269	51,835	55,238	57,748
7	13					53,440	56,024	53,476	56,918	59,501
8	14					55,128	57,844	55,165	58,716	61,322
9	15					56,563	59,349	56,599	60,242	62,917
10	16 or					57,693	60,535	57,731	61,447	64,174
11	more									

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15

*** Education Experience ***

14	Years									MA+90
15	of									OR
16	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
17	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
18	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
19	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
20	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
21	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
22	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
23	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
24	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
25	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
26	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
27	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
28	11				46,772	50,121	52,557	50,249	53,599	56,034
29	12				48,249	51,761	54,269	51,835	55,238	57,748
30	13					53,440	56,024	53,476	56,918	59,501
31	14					55,128	57,844	55,165	58,716	61,322
32	15					56,563	59,349	56,599	60,242	62,917
33	16 or					57,693	60,535	57,731	61,447	64,174
34	more									

1 (b) As used in this subsection, the column headings "BA+(N)" refer
2 to the number of credits earned since receiving the baccalaureate
3 degree.

4 (c) For credits earned after the baccalaureate degree but before
5 the masters degree, any credits in excess of forty-five credits may be
6 counted after the masters degree. Thus, as used in this subsection,
7 the column headings "MA+(N)" refer to the total of:

8 (i) Credits earned since receiving the masters degree; and

9 (ii) Any credits in excess of forty-five credits that were earned
10 after the baccalaureate degree but before the masters degree.

11 (5) For the purposes of this section:

12 (a) "BA" means a baccalaureate degree.

13 (b) "MA" means a masters degree.

14 (c) "PHD" means a doctorate degree.

15 (d) "Years of service" shall be calculated under the same rules
16 adopted by the superintendent of public instruction.

17 (e) "Credits" means college quarter hour credits and equivalent in-
18 service credits computed in accordance with RCW 28A.415.020 and
19 28A.415.023.

20 (6) No more than ninety college quarter-hour credits received by
21 any employee after the baccalaureate degree may be used to determine
22 compensation allocations under the state salary allocation schedule and
23 LEAP documents referenced in this part V, or any replacement schedules
24 and documents, unless:

25 (a) The employee has a masters degree; or

26 (b) The credits were used in generating state salary allocations
27 before January 1, 1992.

28 (7) The salary allocation schedules established in this section are
29 for allocation purposes only except as provided in RCW 28A.400.200(2).

30 **NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

32 The appropriations in this part are subject to the following
33 conditions and limitations:

34 (1)(a) Additional salary adjustments as necessary to fund the base
35 salaries for certificated instructional staff as listed for each
36 district in LEAP Document 2, defined in section 503(2)(b) of this act.
37 Allocations for these salary adjustments shall be provided to all

1 districts that are not grandfathered to receive salary allocations
2 above the statewide salary allocation schedule, and to certain
3 grandfathered districts to the extent necessary to ensure that salary
4 allocations for districts that are currently grandfathered do not fall
5 below the statewide salary allocation schedule.

6 (b) Additional salary adjustments to certain districts as necessary
7 to fund the per full-time-equivalent salary allocations for
8 certificated administrative staff as listed for each district in LEAP
9 Document 2, defined in section 503(2)(b) of this act.

10 (c) Additional salary adjustments to certain districts as necessary
11 to fund the per full-time-equivalent salary allocations for classified
12 staff as listed for each district in LEAP Document 2, defined in
13 section 503(2)(b) of this act.

14 (d) The appropriations in this subsection (1) include associated
15 incremental fringe benefit allocations at 18.04 percent for the 2013-14
16 school year and 18.04 percent for the 2014-15 school year for
17 certificated instructional and certificated administrative staff and
18 17.45 percent for the 2013-14 school year and 17.45 percent for the
19 2014-15 school year for classified staff.

20 (e) The appropriations in this section include the increased or
21 decreased portion of salaries and incremental fringe benefits for all
22 relevant state-funded school programs in part V of this act. Changes
23 for general apportionment (basic education) are based on the salary
24 allocation schedules and methodology in sections 502 and 503 of this
25 act. Changes for special education result from changes in each
26 district's basic education allocation per student. Changes for
27 educational service districts and institutional education programs are
28 determined by the superintendent of public instruction using the
29 methodology for general apportionment salaries and benefits in sections
30 502 and 503 of this act.

31 (f) The appropriations in this section include no salary
32 adjustments for substitute teachers.

33 (2) The maintenance rate for insurance benefit allocations is
34 \$768.00 per month for the 2013-14 and 2014-15 school years. The
35 appropriations in this section reflect the incremental change in cost
36 of allocating rates of \$763.00 per month for the 2013-14 school year
37 and \$764.00 per month for the 2014-15 school year.

1 (3) The rates specified in this section are subject to revision
2 each year by the legislature.

3 (4) The insurance benefit allocations reflect savings from assumed
4 changes to health benefits eligibility criteria for part-time employees
5 to align with the employer responsibility provisions of the federal
6 affordable care act. Beginning January 1, 2014, employees with family
7 incomes below 400 percent of the federal poverty level who are not
8 offered employer health insurance coverage are eligible for federal
9 premium credits and subsidies for out-of-pocket costs for health
10 insurance purchased through the Washington health benefits exchange.
11 The allocations assume school districts and educational service
12 districts spend \$11,100,000 in the 2013-14 school year and \$22,100,000
13 in the 2014-15 school year for exchange premium reimbursement benefits
14 for part-time classified employees. School districts and educational
15 service districts shall establish the eligibility criteria and benefit
16 amounts for exchange premium reimbursement benefits. The districts
17 shall report not later than November 1, 2014, to the superintendent of
18 public instruction data regarding their eligibility criteria, the
19 number of part-time employees who received reimbursement payments, and
20 the amount spent on the payments. The superintendent shall submit a
21 report regarding the school district data to the legislative fiscal
22 committees by December 1, 2014.

23 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
24 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

25	General Fund--State Appropriation (FY 2014)	\$330,005,000
26	General Fund--State Appropriation (FY 2015)	\$330,842,000
27	Education Legacy Trust Account--State Appropriation	\$197,521,000
28	TOTAL APPROPRIATION	\$858,368,000

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) Each general fund fiscal year appropriation includes such funds
32 as are necessary to complete the school year ending in the fiscal year
33 and for prior fiscal year adjustments.

34 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
35 shall allocate funding to school district programs for the
36 transportation of students as provided in RCW 28A.160.192.

1 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
2 allocate funding to school districts programs for the transportation of
3 students as provided in section 505, chapter 50, Laws of 2011 1st sp.
4 sess., as amended through section 505 of the 2013 omnibus supplemental
5 operating appropriations act (Senate Bill No. 5033).

6 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation
7 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be
8 expended for regional transportation coordinators and related
9 activities. The transportation coordinators shall ensure that data
10 submitted by school districts for state transportation funding shall,
11 to the greatest extent practical, reflect the actual transportation
12 activity of each district.

13 (4) The office of the superintendent of public instruction shall
14 provide reimbursement funding to a school district for school bus
15 purchases only after the superintendent of public instruction
16 determines that the school bus was purchased from the list established
17 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
18 based on the lowest price quote based on similar bus categories to
19 those used to establish the list pursuant to RCW 28A.160.195.

20 (5) The superintendent of public instruction shall base
21 depreciation payments for school district buses on the pre-sales tax
22 five-year average of lowest bids in the appropriate category of bus.
23 In the final year on the depreciation schedule, the depreciation
24 payment shall be based on the lowest bid in the appropriate bus
25 category for that school year.

26 (6) Funding levels in this section reflect waivers granted by the
27 state board of education for four-day school weeks as allowed under RCW
28 28A.305.141.

29 (7) The office of the superintendent of public instruction shall
30 annually disburse payments for bus depreciation in August.

31 **NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
32 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

33	General Fund--State Appropriation (FY 2014)	\$7,111,000
34	General Fund--State Appropriation (FY 2015)	\$7,111,000
35	General Fund--Federal Appropriation	\$473,326,000
36	TOTAL APPROPRIATION	\$487,548,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$7,111,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$7,111,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for state matching money for
6 federal child nutrition programs, and may support the meals for kids
7 program through the following allowable uses:

8 (a) Elimination of breakfast copays for eligible public school
9 students and lunch copays for eligible public school students in grades
10 kindergarten through third grade who are eligible for reduced price
11 lunch;

12 (b) Assistance to school districts and authorized public and
13 private nonprofit organizations for supporting summer food service
14 programs, and initiating new summer food service programs in low-income
15 areas;

16 (c) Reimbursements to school districts for school breakfasts served
17 to students eligible for free and reduced price lunch, pursuant to
18 chapter 287, Laws of 2005; and

19 (d) Assistance to school districts in initiating and expanding
20 school breakfast programs.

21 The office of the superintendent of public instruction shall report
22 annually to the fiscal committees of the legislature on annual
23 expenditures in (a), (b), and (c) of this subsection.

24 **NEW SECTION. Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
25 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

26	General Fund--State Appropriation (FY 2014)	\$707,477,000
27	General Fund--State Appropriation (FY 2015)	\$719,994,000
28	General Fund--Federal Appropriation	\$462,023,000
29	Education Legacy Trust Account--State Appropriation	\$64,663,000
30	TOTAL APPROPRIATION	\$1,954,157,000

31 The appropriations in this section are subject to the following
32 conditions and limitations:

33 (1) Funding for special education programs is provided on an excess
34 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
35 that special education students as a class receive their full share of
36 the general apportionment allocation accruing through sections 502 and
37 504 of this act. To the extent a school district cannot provide an

1 appropriate education for special education students under chapter
2 28A.155 RCW through the general apportionment allocation, it shall
3 provide services through the special education excess cost allocation
4 funded in this section.

5 (2)(a) The superintendent of public instruction shall ensure that:

6 (i) Special education students are basic education students first;

7 (ii) As a class, special education students are entitled to the
8 full basic education allocation; and

9 (iii) Special education students are basic education students for
10 the entire school day.

11 (b) The superintendent of public instruction shall continue to
12 implement the full cost method of excess cost accounting, as designed
13 by the committee and recommended by the superintendent, pursuant to
14 section 501(1)(k), chapter 372, Laws of 2006.

15 (3) Each fiscal year appropriation includes such funds as are
16 necessary to complete the school year ending in the fiscal year and for
17 prior fiscal year adjustments.

18 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent
19 shall allocate funding to school district programs for special
20 education students as provided in RCW 28A.150.390.

21 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
22 allocate funding to school district programs for special education
23 students as provided in section 507, chapter 50, Laws of 2011 1st sp.
24 sess., as amended through section 507 of the 2013 omnibus supplemental
25 operating appropriations act (Senate Bill No. 5033).

26 (5) The following applies throughout this section: The definitions
27 for enrollment and enrollment percent are as specified in RCW
28 28A.150.390(3). Each district's general fund--state funded special
29 education enrollment shall be the lesser of the district's actual
30 enrollment percent or 12.7 percent.

31 (6) At the request of any interdistrict cooperative of at least 15
32 districts in which all excess cost services for special education
33 students of the districts are provided by the cooperative, the maximum
34 enrollment percent shall be calculated in accordance with RCW
35 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
36 rather than individual district units. For purposes of this
37 subsection, the average basic education allocation per full-time

1 equivalent student shall be calculated in the aggregate rather than
2 individual district units.

3 (7) \$34,227,000 of the general fund--state appropriation for fiscal
4 year 2014, \$35,592,000 of the general fund--state appropriation for
5 fiscal year 2015, and \$29,574,000 of the general fund--federal
6 appropriation are provided solely for safety net awards for districts
7 with demonstrated needs for special education funding beyond the
8 amounts provided in subsection (4) of this section. If the federal
9 safety net awards based on the federal eligibility threshold exceed the
10 federal appropriation in this subsection (7) in any fiscal year, the
11 superintendent shall expend all available federal discretionary funds
12 necessary to meet this need. At the conclusion of each school year,
13 the superintendent shall recover safety net funds that were distributed
14 prospectively but for which districts were not subsequently eligible.

15 (a) For the 2013-14 and 2014-15 school years, safety net funds
16 shall be awarded by the state safety net oversight committee as
17 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

18 (b) The office of the superintendent of public instruction shall
19 make award determinations for state safety net funding in August of
20 each school year. Determinations on school district eligibility for
21 state safety net awards shall be based on analysis of actual
22 expenditure data from the current school year.

23 (8) A maximum of \$678,000 may be expended from the general fund--
24 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
25 full-time equivalent aides at children's orthopedic hospital and
26 medical center. This amount is in lieu of money provided through the
27 home and hospital allocation and the special education program.

28 (9) The superintendent shall maintain the percentage of federal
29 flow-through to school districts at 85 percent. In addition to other
30 purposes, school districts may use increased federal funds for high-
31 cost students, for purchasing regional special education services from
32 educational service districts, and for staff development activities
33 particularly relating to inclusion issues.

34 (10) A school district may carry over from one year to the next
35 year up to 10 percent of the general fund--state funds allocated under
36 this program; however, carryover funds shall be expended in the special
37 education program.

1 (11) \$249,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$249,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for two additional full-time
4 equivalent staff to support the work of the safety net committee and to
5 provide training and support to districts applying for safety net
6 awards.

7 (12) \$50,000 of the general fund--state appropriation for fiscal
8 year 2014, \$50,000 of the general fund--state appropriation for fiscal
9 year 2015, and \$100,000 of the general fund--federal appropriation
10 shall be expended to support a special education ombudsman program
11 within the office of superintendent of public instruction.

12 **NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
13 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

14	General Fund--State Appropriation (FY 2014)	\$8,142,000
15	General Fund--State Appropriation (FY 2015)	\$8,150,000
16	TOTAL APPROPRIATION	\$16,292,000

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) The educational service districts shall continue to furnish
20 financial services required by the superintendent of public instruction
21 and RCW 28A.310.190 (3) and (4).

22 (2) Funding within this section is provided for regional
23 professional development related to mathematics and science curriculum
24 and instructional strategies. Funding shall be distributed among the
25 educational service districts in the same proportion as distributions
26 in the 2007-2009 biennium. Each educational service district shall use
27 this funding solely for salary and benefits for a certificated
28 instructional staff with expertise in the appropriate subject matter
29 and in professional development delivery, and for travel, materials,
30 and other expenditures related to providing regional professional
31 development support.

32 (3) The educational service districts, at the request of the state
33 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may
34 receive and screen applications for school accreditation, conduct
35 school accreditation site visits pursuant to state board of education
36 rules, and submit to the state board of education post-site visit

1 recommendations for school accreditation. The educational service
2 districts may assess a cooperative service fee to recover actual plus
3 reasonable indirect costs for the purposes of this subsection.

4 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
5 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

6	General Fund--State Appropriation (FY 2014)	\$314,451,000
7	General Fund--State Appropriation (FY 2015)	\$318,142,000
8	TOTAL APPROPRIATION	\$632,593,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: For purposes of RCW 84.52.0531, the
11 increase per full-time equivalent student is 6.8 percent from the 2012-
12 13 school year to the 2013-14 school year and 1.7 percent from the
13 2013-14 school year to the 2014-15 school year.

14 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

16	General Fund--State Appropriation (FY 2014)	\$15,292,000
17	General Fund--State Appropriation (FY 2015)	\$15,495,000
18	TOTAL APPROPRIATION	\$30,787,000

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) Each general fund--state fiscal year appropriation includes
22 such funds as are necessary to complete the school year ending in the
23 fiscal year and for prior fiscal year adjustments.

24 (2) State funding provided under this section is based on salaries
25 and other expenditures for a 220-day school year. The superintendent
26 of public instruction shall monitor school district expenditure plans
27 for institutional education programs to ensure that districts plan for
28 a full-time summer program.

29 (3) State funding for each institutional education program shall be
30 based on the institution's annual average full-time equivalent student
31 enrollment. Staffing ratios for each category of institution shall
32 remain the same as those funded in the 1995-97 biennium.

33 (4) The funded staffing ratios for education programs for juveniles
34 age 18 or less in department of corrections facilities shall be the
35 same as those provided in the 1997-99 biennium.

1 (5) \$1,070.00 of the general fund--state appropriation for fiscal
2 year 2014 and \$1,070.00 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely to maintain at least one
4 certificated instructional staff and related support services at an
5 institution whenever the K-12 enrollment is not sufficient to support
6 one full-time equivalent certificated instructional staff to furnish
7 the educational program. The following types of institutions are
8 included: Residential programs under the department of social and
9 health services for developmentally disabled juveniles, programs for
10 juveniles under the department of corrections, programs for juveniles
11 under the juvenile rehabilitation administration, and programs for
12 juveniles operated by city and county jails.

13 (6) Ten percent of the funds allocated for each institution may be
14 carried over from one year to the next.

15 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
16 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

17	General Fund--State Appropriation (FY 2014)	\$9,489,000
18	General Fund--State Appropriation (FY 2015)	\$9,594,000
19	Education Legacy Trust Account--State Appropriation	\$70,000
20	TOTAL APPROPRIATION	\$19,153,000

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) Each general fund fiscal year appropriation includes such funds
24 as are necessary to complete the school year ending in the fiscal year
25 and for prior fiscal year adjustments.

26 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
27 shall allocate funding to school district programs for highly capable
28 students as provided in RCW 28A.150.260(10)(c). In calculating the
29 allocations, the superintendent shall assume the following: (i)
30 Additional instruction of 2.1590 hours per week per funded highly
31 capable program student; (ii) fifteen highly capable program students
32 per teacher; (iii) 36 instructional weeks per year; (iv) 900
33 instructional hours per teacher; and (v) the district's average staff
34 mix and compensation rates as provided in sections 503 and 504 of this
35 act.

36 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
37 allocate funding to school districts programs for highly capable

1 students as provided in section 511, chapter 50, Laws of 2011 1st sp.
2 sess., as amended through section 511 of the 2013 omnibus supplemental
3 operating appropriations act (Senate Bill No. 5033).

4 (3) \$85,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$85,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the centrum program at Fort
7 Worden state park.

8 **NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
9 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

10 General Fund--Federal Appropriation \$4,052,000

11 **NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
12 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

13 General Fund--State Appropriation (FY 2014) \$110,856,000

14 General Fund--State Appropriation (FY 2015) \$113,066,000

15 General Fund--Federal Appropriation \$206,243,000

16 General Fund--Private/Local Appropriation \$4,002,000

17 Education Legacy Trust Account--State Appropriation \$1,599,000

18 TOTAL APPROPRIATION \$435,766,000

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) \$45,471,000 of the general fund--state appropriation for fiscal
22 year 2014, \$34,043,000 of the general fund--state appropriation for
23 fiscal year 2015, \$1,350,000 of the education legacy trust account--
24 state appropriation, and \$15,868,000 of the general fund--federal
25 appropriation are provided solely for development and implementation of
26 the Washington state assessment system in accordance with provisions of
27 chapter 28A.655 RCW.

28 (2) \$5,851,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$3,935,000 of the general fund--state appropriation for
30 fiscal year 2014 are provided solely for implementation of a new
31 performance-based evaluation for certificated educators and other
32 activities as provided in chapter 235, Laws of 2010 (education reform)
33 and chapter 35, Laws of 2012 (certificated employee evaluations).

34 (3)(a) \$45,263,000 of the general fund--state appropriation for
35 fiscal year 2014 and \$49,673,000 of the general fund--state
36 appropriation for fiscal year 2015 are provided solely for the

1 following bonuses for teachers who hold valid, unexpired certification
2 from the national board for professional teaching standards and who are
3 teaching in a Washington public school, subject to the following
4 conditions and limitations:

5 (i) For national board certified teachers, a bonus of \$5,090 per
6 teacher in the 2013-14 and 2014-15 school years;

7 (ii) An additional \$5,000 annual bonus shall be paid to national
8 board certified teachers who teach in either: (A) High schools where
9 at least 50 percent of student headcount enrollment is eligible for
10 federal free or reduced price lunch, (B) middle schools where at least
11 60 percent of student headcount enrollment is eligible for federal free
12 or reduced price lunch, or (C) elementary schools where at least 70
13 percent of student headcount enrollment is eligible for federal free or
14 reduced price lunch;

15 (iii) The superintendent of public instruction shall adopt rules to
16 ensure that national board certified teachers meet the qualifications
17 for bonuses under (a)(ii) of this subsection for less than one full
18 school year receive bonuses in a pro-rated manner. All bonuses in
19 (a)(i) and (ii) of this subsection will be paid in July of each school
20 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced
21 by a factor of 40 percent for first year NBPTS certified teachers, to
22 reflect the portion of the instructional school year they are
23 certified; and

24 (iv) During the 2013-14 and 2014-15 school years, and within
25 available funds, certificated instructional staff who have met the
26 eligibility requirements and have applied for certification from the
27 national board for professional teaching standards may receive a
28 conditional loan of two thousand dollars or the amount set by the
29 office of the superintendent of public instruction to contribute toward
30 the current assessment fee, not including the initial up-front
31 candidacy payment. The fee shall be an advance on the first annual
32 bonus under RCW 28A.405.415. The conditional loan is provided in
33 addition to compensation received under a district's salary schedule
34 and shall not be included in calculations of a district's average
35 salary and associated salary limitation under RCW 28A.400.200.
36 Recipients who fail to receive certification after three years are
37 required to repay the conditional loan. The office of the
38 superintendent of public instruction shall adopt rules to define the

1 terms for initial grant of the assessment fee and repayment, including
2 applicable fees. To the extent necessary, the superintendent may use
3 revenues from the repayment of conditional loan scholarships to ensure
4 payment of all national board bonus payments required by this section
5 in each school year.

6 (4) \$950,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$950,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for the Washington reading corps.
9 The superintendent shall allocate reading corps members to low-
10 performing schools and school districts that are implementing
11 comprehensive, proven, research-based reading programs. Two or more
12 schools may combine their Washington reading corps programs.

13 (5) \$2,000,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$2,000,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for a statewide information
16 technology (IT) academy program. This public-private partnership will
17 provide educational software, as well as IT certification and software
18 training opportunities for students and staff in public schools.

19 (6) \$1,000,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$1,000,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for a beginning educator support
22 program. School districts and/or regional consortia may apply for
23 grant funding. The superintendent shall implement this program in 5 to
24 15 school districts and/or regional consortia. The program provided by
25 a district and/or regional consortia shall include: A paid
26 orientation; assignment of a qualified mentor; development of a
27 professional growth plan for each beginning teacher aligned with
28 professional certification; release time for mentors and new teachers
29 to work together; and teacher observation time with accomplished peers.
30 \$250,000 may be used to provide statewide professional development
31 opportunities for mentors and beginning educators.

32 (7) \$5,107,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$5,108,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely to enhance current evaluation
35 system training programs for teachers. Chapter 35, Laws of 2012
36 implemented, statewide, the principal and teacher evaluation system
37 that began as pilot programs two years previously. Funding was
38 provided at that time to train all administrative staff in the new

1 evaluation system and for the superintendent of public instruction to
2 collaborate with educational service districts to develop and make
3 available a professional development program for teachers, including a
4 comprehensive on-line training package. The appropriations in this
5 subsection will enhance teacher training opportunities.

6 (8) \$450,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$659,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely to implement Engrossed Second
9 Substitute Senate Bill No. 5330 (improving student achievement and
10 student outcomes), including implementing changes to the learning
11 assistance program (LAP); providing additional LAP data collection and
12 reporting; and implementing provisions and annual reporting of
13 transition services for disabled students. If the bill is not enacted
14 by June 30, 2013, the amounts provided in this subsection shall lapse.

15 (9) \$129,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$124,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely to implement Substitute Senate
18 Bill No. 5755 (establishing a comprehensive initiative to increase
19 learning opportunities and improve educational outcomes in science,
20 technology, engineering, and mathematics through multiple strategies
21 and statewide partnerships). If the bill is not enacted by June 30,
22 2013, the amounts provided in this subsection shall lapse.

23 (10) \$1,110,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$1,061,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely to implement Engrossed Second
26 Substitute Senate Bill No. 5243 (academic acceleration). If the bill
27 is not enacted by June 30, 2013, the amounts provided in this
28 subsection shall lapse.

29 (11) \$143,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$10,138,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely to implement Engrossed Second
32 Substitute Senate Bill No. 5329 (transforming persistently failing
33 schools). If the bill is not enacted by June 30, 2013, the amounts
34 provided in this subsection shall lapse.

35 (12) \$2,012,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$3,018,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for grants to school districts
38 based on innovation and the degree to which the district implements

1 incentives that are evidence-based and research-based. Grants are to
2 provide stipends for hard-to-fill subject areas and challenging
3 schools' assignments, among others. Grants will be awarded by the
4 professional educator standards board, with the Washington state
5 institute for public policy. The board must report to the legislative
6 education policy committees and fiscal committees by November 1st of
7 each year on the amount and purposes of the grants awarded.

8 (13) \$356,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$356,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Washington state
11 leadership and assistance for science education reform (LASER) regional
12 partnership activities coordinated at the Pacific science center,
13 including instructional material purchases, teacher and principal
14 professional development, and school and community engagement events.

15 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
16 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

17	General Fund--State Appropriation (FY 2014)	\$91,490,000
18	General Fund--State Appropriation (FY 2015)	\$100,515,000
19	General Fund--Federal Appropriation	\$71,015,000
20	TOTAL APPROPRIATION	\$263,020,000

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) Each general fund fiscal year appropriation includes such funds
24 as are necessary to complete the school year ending in the fiscal year
25 and for prior fiscal year adjustments.

26 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
27 shall allocate funding to school districts for transitional bilingual
28 programs as provided in RCW 28A.150.260(10)(b). In calculating the
29 allocations, the superintendent shall assume the following averages:
30 (i) Additional instruction of 4.7780 hours per week per transitional
31 bilingual program student; (ii) fifteen transitional bilingual program
32 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
33 instructional hours per teacher; and (v) the district's average staff
34 mix and compensation rates as provided in sections 503 and 504 of this
35 act.

36 (b) The average funding allocation calculated according to
37 subsection (2)(a) of this section will be the basis for calculating a

1 cost-neutral allocation for varying levels of instructional hours for
2 students that have not attained English language proficiency for the
3 2013-14 school year. The allocations shall be scaled to provide more
4 support to students with the lowest level of English language
5 proficiency and less support to students with the highest level of
6 proficiency. The allocation hours calculated for the 2013-14 school
7 year for each level of proficiency shall remain constant for the 2014-
8 15 school year.

9 (c) Additional funding for students that successfully exit the
10 bilingual program, beginning in the 2014-15 school year, will provide,
11 on a statewide average, 3.0 hours per week in extra instruction with
12 fifteen students per teacher. Students that successfully exit in the
13 2013-14 school year are funded in the 2014-15 school year. It is the
14 intent of the legislature that, beginning in the 2015-16 school year,
15 funding will be provided for students who have successfully exited the
16 bilingual program in the two previous school years. Funding provided
17 under this subsection (2)(c) shall not be considered part of basic
18 education.

19 (d) From July 1, 2013, to August 31, 2013, the superintendent shall
20 allocate funding to school districts for transitional bilingual
21 instruction programs as provided in section 514, chapter 50, Laws of
22 2011 1st sp. sess., as amended through section 512 of the 2013 omnibus
23 supplemental operating appropriations act (Senate Bill No. 5033).

24 (3) The superintendent may withhold allocations to school districts
25 in subsection (2) of this section solely for the central provision of
26 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
27 following amounts: 1.56 percent for school year 2013-14 and 1.41
28 percent for school year 2014-15.

29 (4) The general fund--federal appropriation in this section is for
30 migrant education under Title I Part C and English language
31 acquisition, and language enhancement grants under Title III of the
32 elementary and secondary education act.

33 (5) \$35,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$35,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely to track current and former
36 transitional bilingual program students.

1 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

3	General Fund--State Appropriation (FY 2014)	\$133,599,000
4	General Fund--State Appropriation (FY 2015)	\$137,064,000
5	General Fund--Federal Appropriation	\$448,435,000
6	Education Legacy Trust Account--State Appropriation . . .	\$240,604,000
7	TOTAL APPROPRIATION	\$959,702,000

8 The appropriations in this section are subject to the following
9 conditions and limitations:

10 (1) The general fund--state appropriations in this section are
11 subject to the following conditions and limitations:

12 (a) The appropriations include such funds as are necessary to
13 complete the school year ending in the fiscal year and for prior fiscal
14 year adjustments.

15 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent
16 shall allocate funding to school districts for learning assistance
17 programs as provided in RCW 28A.150.260(10)(a). In calculating the
18 allocations, the superintendent shall assume the following averages:

19 (A) Additional instruction of 3.00000 hours per week per funded
20 learning assistance program student; (B) fifteen learning assistance
21 program students per teacher; (C) 36 instructional weeks per year; (D)
22 900 instructional hours per teacher; and (E) the district's average
23 staff mix and compensation rates as provided in sections 503 and 504 of
24 this act.

25 (ii) From July 1, 2013, to August 31, 2013, the superintendent
26 shall allocate funding to school districts for learning assistance
27 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.
28 sess., as amended through section 513 of the 2013 omnibus supplemental
29 operating appropriations act (Senate Bill No. 5033).

30 (c) A school district's funded students for the learning assistance
31 program shall be the sum of the district's full-time equivalent
32 enrollment in grades K-12 for the prior school year multiplied by the
33 district's percentage of October headcount enrollment in grades K-12
34 eligible for free or reduced price lunch in the prior school year.

35 (2) Allocations made pursuant to subsection (1) of this section
36 shall be adjusted to reflect ineligible applications identified through
37 the annual income verification process required by the national school

1 lunch program, as recommended in the report of the state auditor on the
2 learning assistance program dated February, 2010.

3 (3) In the 2013-14 and 2014-15 school years, districts may use
4 learning assistance program funds to continue providing educational
5 supports to under-achieving students that would otherwise have been
6 provided through the following non-basic education statewide grants and
7 programs, provided the programs are consistent with RCW
8 28A.150.260(10)(a) and research has shown the programs to be effective,
9 consistent with Engrossed Second Substitute Senate Bill No. 5330
10 (improving student achievement and student outcomes). The individual
11 statewide programs are options but are not components of the basic
12 education program, nor do they represent an individual entitlement to
13 any particular student. School districts may coordinate implementation
14 of the programs statewide, regionally, or individually. The programs
15 are:

- 16 (a) Project citizen;
- 17 (b) Collaborative schools for innovation and success;
- 18 (c) Open K-12 educational resources (Chapter 178, Laws of 2012);
- 19 (d) Interpreter services standards;
- 20 (e) Nurse corps;
- 21 (f) Navigation 101;
- 22 (g) Washington achievers scholars;
- 23 (h) College bound scholarship outreach;
- 24 (i) Building bridges grants;
- 25 (j) Jobs for America's graduates (JAG);
- 26 (k) Communities in schools;
- 27 (l) Dream big community center;
- 28 (m) Readiness to learn;
- 29 (n) Career and technical education (CTE) grants;
- 30 (o) Regional education technology support centers;
- 31 (p) Leadership academy;
- 32 (q) Principal and superintendent internships;
- 33 (r) Middle-and high-school applied science, technology,
34 engineering, and mathematics (STEM) grants;
- 35 (s) Science, technology, engineering, and mathematics (STEM) work
36 group;
- 37 (t) Paying for actual student success (PASS) program;
- 38 (u) Project Lead the Way;

1 (v) Skills centers aerospace manufacturing hub; and

2 (w) The aerospace assembly program.

3 (4) The general fund--federal appropriation in this section is
4 provided for Title I Part A allocations of the no child left behind act
5 of 2001.

6 (5) A school district may carry over from one year to the next up
7 to 10 percent of the general fund--state funds allocated under this
8 program; however, carryover funds shall be expended for the learning
9 assistance program.

10 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
11 **INSTRUCTION**

12 (1) Amounts distributed to districts by the superintendent through
13 part V of this act are for allocations purposes only, unless specified
14 by part V of this act, and do not entitle a particular district,
15 district employee, or student to a specific service, beyond what has
16 been expressly provided in statute. Part V of this act restates the
17 requirements of various sections of Title 28A RCW. If any conflict
18 exists, the provisions of Title 28A RCW control unless this act
19 explicitly states that it is providing an enhancement. Any amounts
20 provided in part V of this act in excess of the amounts required by
21 Title 28A RCW provided in statute, are not within the program of basic
22 education unless clearly stated by this act.

23 (2) To the maximum extent practicable, when adopting new or revised
24 rules or policies relating to the administration of allocations in part
25 V of this act that result in fiscal impact, the office of the
26 superintendent of public instruction shall attempt to seek legislative
27 approval through the budget request process.

28 (3) Appropriations made in this act to the office of the
29 superintendent of public instruction shall initially be allotted as
30 required by this act. Subsequent allotment modifications shall not
31 include transfers of moneys between sections of this act.

(End of part)

1 (c) For each institution of higher education receiving
2 appropriations under sections 606 through 611 of this act:

3 (i) The only allowable salary increases are those associated with
4 normally occurring promotions and increases related to faculty and
5 staff retention; and

6 (ii) Institutions may provide salary increases from other sources
7 to instructional and research faculty at the universities and The
8 Evergreen State College, exempt professional staff, teaching and
9 research assistants, as classified by the office of financial
10 management, and all other nonclassified staff, but not including
11 employees under chapter 41.80 RCW. Any salary increase granted under
12 the authority of this subsection (4)(c)(ii) shall not be included in an
13 institution's salary base for future state funding. It is the intent
14 of the legislature that state general fund support for an institution
15 shall not increase during the current or any future biennium as a
16 result of any salary increases authorized under this subsection
17 (4)(c)(ii).

18 NEW SECTION. **Sec. 602.** (1) Within the funds appropriated in this
19 act, each institution of higher education is expected to enroll and
20 educate at least the following numbers of full-time equivalent state-
21 supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
University of Washington	37,829	37,829
Washington State University	23,018	23,018
Central Washington University	8,963	8,963
Eastern Washington University	8,860	8,860
The Evergreen State College	4,320	4,320
Western Washington University	12,089	12,089
State Board for Community & Technical Colleges		
Adult Students	141,046	141,046
Running Start Students	11,558	11,558

1 (2) If Senate Bill No. 5883 (higher education funding) is enacted
2 by June 30, 2013, subsection (1) of this section shall have no effect.

3 (3) Each institution shall seek to:

4 (a) Maintain and to the extent possible increase enrollment
5 opportunities at branch campuses;

6 (b) Maintain and to the extent possible increase enrollment
7 opportunities at university centers and other partnership programs that
8 enable students to earn baccalaureate degrees on community college
9 campuses; and

10 (c) Eliminate and consolidate programs of study for which there is
11 limited student or employer demand, or that are not areas of core
12 academic strength for the institution, particularly when such programs
13 duplicate offerings by other in-state institutions.

14 (4) For purposes of monitoring and reporting statewide enrollment,
15 the University of Washington and Washington State University shall
16 notify the office of financial management of the number of full-time
17 student equivalent enrollments budgeted for each of their campuses.

18 **NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

19 (1) For the purposes of chapter 28B.15 RCW, the omnibus
20 appropriations act assumes no increase of tuition levels for resident
21 undergraduate students over the amounts charged to resident
22 undergraduate students for the prior year.

23 (2) For the 2013-2015 fiscal biennium, the institutions of higher
24 education are authorized to adopt tuition levels that are less than,
25 equal to, or greater than the tuition levels assumed in subsection (1)
26 of this section. However, to the extent that tuition levels exceed the
27 tuition levels assumed in subsection (1) of this section, the
28 institution shall be subject to the conditions and limitations provided
29 in RCW 28B.15.102. If Senate Bill No. 5883 (higher education funding)
30 is enacted by June 30, 2013, subsections (1) and (2) of this section
31 shall have no effect.

32 (3) Each governing board is authorized to increase tuition charges
33 to graduate and professional students, and to nonresident undergraduate
34 students, by amounts judged reasonable and necessary by the governing
35 board.

36 (4) Each governing board is authorized to increase summer quarter

1 or semester tuition fees for resident and nonresident undergraduate,
2 graduate, and professional students pursuant to RCW 28B.15.067.

3 (5) Each governing board is authorized to adopt or increase charges
4 for fee-based, self-sustaining degree programs, credit courses,
5 noncredit workshops and courses, and special contract courses by
6 amounts judged reasonable and necessary by the governing board.

7 (6) Each governing board is authorized to adopt or increase
8 services and activities fees for all categories of students as provided
9 in RCW 28B.15.069.

10 (7) Each governing board is authorized to adopt or increase
11 technology fees as provided in RCW 28B.15.069.

12 (8) Each governing board is authorized to adopt or increase special
13 course and lab fees, and health and counseling fees, to the extent
14 necessary to cover the reasonable and necessary exceptional cost of the
15 course or service.

16 (9) Each governing board is authorized to adopt or increase
17 administrative fees such as, but not limited to, those charged for
18 application, matriculation, special testing, and transcripts by amounts
19 judged reasonable and necessary by the governing board.

20 (10) The state universities, the regional universities, and The
21 Evergreen State College must accept the transfer of college-level
22 courses taken by running start students if a student seeking a transfer
23 of the college-level courses has been admitted to the state university,
24 the regional university, or The Evergreen State College, and if the
25 college-level courses are recognized as transferrable by the admitting
26 institution of higher education.

27 (11) Appropriations in sections 606 through 611 of this act are
28 sufficient to implement 2013-2015 collective bargaining agreements at
29 institutions of higher education negotiated under chapter 41.80 RCW.
30 The institutions may also use these funds for any other purpose
31 including restoring prior compensation reductions, increasing
32 compensation, and implementing other collective bargaining agreements.

33 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
34 **COLLEGES**

35 (1) The state board for community and technical colleges and the
36 trustees of the state's community and technical colleges may not
37 increase tuition and fees for resident undergraduate students in fiscal

1 year 2014 or fiscal year 2015. If Senate Bill No. 5883 (higher
2 education funding) is enacted by June 30, 2013, subsection (1) of this
3 section shall have no effect.

4 (2) Appropriations in section 605 are sufficient to implement 2013-
5 2015 collective bargaining agreements at institutions of higher
6 education negotiated under chapter 41.80 RCW. The colleges may also
7 use these funds for any other purpose including restoring prior
8 compensation reductions, increasing compensation, and implementing
9 other collective bargaining agreements.

10 (3) The state board may increase the tuition fees charged to
11 nonresident students by amounts judged reasonable and necessary by the
12 board.

13 (4) The trustees of the technical colleges are authorized to either
14 (a) freeze operating fees for the next two academic years; or (b) fully
15 adopt the tuition fee charge schedule adopted by the state board for
16 community colleges.

17 (5) For academic years 2013-14 and 2014-15, the trustees of the
18 technical colleges are authorized to increase building fees by an
19 amount judged reasonable in order to progress toward parity with the
20 building fees charged students attending the community colleges.

21 (6) The state board is authorized to increase the maximum allowable
22 services and activities fees as provided in RCW 28B.15.069. The
23 trustees of the community and technical colleges are authorized to
24 increase services and activities fees up to the maximum level
25 authorized by the state board.

26 (7) The trustees of the community and technical colleges are
27 authorized to adopt or increase charges for fee-based, self-sustaining
28 programs such as summer session, international student contracts, and
29 special contract courses by amounts judged reasonable and necessary by
30 the trustees.

31 (8) The trustees of the community and technical colleges are
32 authorized to adopt or increase special course and lab fees to the
33 extent necessary to cover the reasonable and necessary exceptional cost
34 of the course or service.

35 (9) The trustees of the community and technical colleges are
36 authorized to adopt or increase administrative fees such as but not
37 limited to those charged for application, matriculation, special

1 testing, and transcripts by amounts judged reasonable and necessary by
2 the trustees.

3 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
4 **TECHNICAL COLLEGES**

5	General Fund--State Appropriation (FY 2014)	\$573,747,000
6	General Fund--State Appropriation (FY 2015)	\$574,326,000
7	Community/Technical College Capital Projects	
8	Account--State Appropriation	\$17,548,000
9	Education Legacy Trust Account--State Appropriation	\$95,468,000
10	TOTAL APPROPRIATION	\$1,261,089,000

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1) \$33,261,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$33,261,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely as special funds for training and
16 related support services, including financial aid, as specified in RCW
17 28C.04.390. Funding is provided to support at least 7,170 full-time
18 equivalent students in fiscal year 2014 and at least 7,170 full-time
19 equivalent students in fiscal year 2015.

20 (2) \$2,725,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$2,725,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for administration and customized
23 training contracts through the job skills program. The state board
24 shall make an annual report by January 1st of each year to the governor
25 and to the appropriate policy and fiscal committees of the legislature
26 regarding implementation of this section, listing the scope of grant
27 awards, the distribution of funds by educational sector and region of
28 the state, and the results of the partnerships supported by these
29 funds.

30 (3) \$13,407,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$13,407,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for the student achievement
33 initiative.

34 (4) Community and technical colleges are not required to send mass
35 mailings of course catalogs to residents of their districts. Community
36 and technical colleges shall consider lower cost alternatives, such as

1 mailing postcards or brochures that direct individuals to online
2 information and other ways of acquiring print catalogs.

3 (5) The state board for community and technical colleges shall not
4 use funds appropriated in this section to support intercollegiate
5 athletics programs.

6 (6) \$500,000 of the general fund--state appropriation for fiscal
7 year 2014 is provided solely for implementation of Second Substitute
8 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not
9 enacted by June 30, 2013, the amount provided in this subsection shall
10 lapse.

11 (7) \$255,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$255,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for implementation of a maritime
14 industries training program at south Seattle community college.

15 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

16	General Fund--State Appropriation (FY 2014)	\$232,866,000
17	General Fund--State Appropriation (FY 2015)	\$232,757,000
18	Aquatic Lands Enhancement Account--State Appropriation	\$700,000
19	Education Legacy Trust Account--State Appropriation	\$13,998,000
20	Economic Development Strategic Reserve	
21	Account--State Appropriation	\$3,000,000
22	Biotoxin Account--State Appropriation	\$390,000
23	Accident Account--State Appropriation	\$6,767,000
24	Medical Aid Account--State Appropriation	\$6,566,000
25	Environmental Legacy Stewardship Account--State	
26	Appropriation	\$1,120,000
27	TOTAL APPROPRIATION	\$498,164,000

28 The appropriations in this section are subject to the following
29 conditions and limitations:

30 (1) \$700,000 of the aquatic lands enhancement account--state
31 appropriation and \$1,120,000 of the environmental legacy stewardship
32 account--state appropriation are provided solely for the center on
33 ocean pH balance and related work necessary to implement the
34 recommendations of the governor's blue ribbon task force on ocean
35 acidification. The university shall provide staffing for this purpose.

36 (2) \$3,000,000 of the economic development strategic reserve

1 account appropriation is provided solely to support the joint center
2 for aerospace innovation technology.

3 (3) The University of Washington shall not use funds appropriated
4 in this section to support intercollegiate athletics programs.

5 (4) Appropriations from the environmental legacy stewardship
6 account in this section shall be made from the state toxic control
7 account if legislation creating and funding the environmental legacy
8 and stewardship account is not enacted by June 30, 2013.

9 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

10	General Fund--State Appropriation (FY 2014)	\$156,086,000
11	General Fund--State Appropriation (FY 2015)	\$157,770,000
12	Education Legacy Trust Account--State Appropriation	\$33,995,000
13	TOTAL APPROPRIATION	\$347,851,000

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) Within existing resources, Washington State University shall
17 establish a forestry program.

18 (2) Washington State University shall not use funds appropriated in
19 this section to support intercollegiate athletics programs.

20 (3) \$2,915,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$3,885,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for expansion of medical education
23 and biomedical research in Spokane.

24 NEW SECTION. **Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

25	General Fund--State Appropriation (FY 2014)	\$30,229,000
26	General Fund--State Appropriation (FY 2015)	\$30,280,000
27	Education Legacy Trust Account--State Appropriation	\$15,793,000
28	TOTAL APPROPRIATION	\$76,302,000

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) Eastern Washington University shall not use funds appropriated
32 in this section to support intercollegiate athletics programs.

33 (2) At least \$200,000 of the general fund--state appropriation for
34 fiscal year 2014 and at least \$200,000 of the general fund--state
35 appropriation for fiscal year 2015 shall be expended on the Northwest
36 autism center.

1 (4) \$60,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$40,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the Washington state institute
4 for public policy to study evidence and research-based methodologies
5 that the state can implement to control medicaid and other health care
6 costs. The institute shall submit an interim report to the legislative
7 fiscal committees by December 1, 2013, with a final report due by July
8 1, 2014.

9 (5) \$100,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$50,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the Washington state institute
12 for public policy to conduct a comprehensive retrospective outcome
13 evaluation and return on investment analysis of the early learning
14 childhood program pursuant to Senate Bill No. . . . (S-2257) (high
15 quality early learning). This evaluation is due December 15, 2014. If
16 the bill is not enacted by June 30, 2013, the amount provided in this
17 subsection shall lapse.

18 (6) \$50,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$50,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for the Washington state institute
21 for public policy to develop a risk assessment instrument for patients
22 committed for involuntary treatment in Washington state.

23 (7) \$58,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$27,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the Washington state institute
26 for public policy to prepare an inventory of evidence-based and
27 research-based effective practices, activities, and programs for use by
28 school districts in the learning assistance program pursuant to
29 Engrossed Second Substitute Senate Bill No. 5330 (student achievement,
30 outcome). The initial inventory is due by August 1, 2014, and shall be
31 updated every two years thereafter. If the bill is not enacted by June
32 30, 2013, the amounts provided in this subsection shall lapse.

33 (8) \$50,000 of the general fund--state appropriation for fiscal
34 year 2014 are provided solely for the Washington state institute for
35 public policy to provide expertise to the department of corrections on
36 the implementation of programming that follows the risk needs
37 responsivity model. In consultation with the department of

1 corrections, the institute will systematically review selected programs
2 for outcome measures.

3 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2014)	\$41,525,000
5	General Fund--State Appropriation (FY 2015)	\$41,563,000
6	Education Legacy Trust Account--State Appropriation	\$13,154,000
7	TOTAL APPROPRIATION	\$96,242,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: Western Washington University shall not
10 use funds appropriated in this section to support intercollegiate
11 athletics programs.

12 NEW SECTION. **Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL--**
13 **POLICY COORDINATION AND ADMINISTRATION**

14	General Fund--State Appropriation (FY 2014)	\$5,320,000
15	General Fund--State Appropriation (FY 2015)	\$5,333,000
16	General Fund--Federal Appropriation	\$4,820,000
17	TOTAL APPROPRIATION	\$15,473,000

18 The appropriations in this section are subject to the following
19 conditions and limitations: The student achievement council is
20 authorized to increase or establish fees for initial degree
21 authorization, degree authorization renewal, degree authorization
22 reapplication, new program applications, and new site applications
23 pursuant to RCW 28B.85.060.

24 NEW SECTION. **Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL--**
25 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

26	General Fund--State Appropriation (FY 2014)	\$259,307,000
27	General Fund--State Appropriation (FY 2015)	\$264,717,000
28	General Fund--Federal Appropriation	\$11,658,000
29	General Fund--Private/Local Appropriation	\$34,000
30	Washington Opportunity Pathways Account--State	
31	Appropriation	\$147,000,000
32	TOTAL APPROPRIATION	\$682,716,000

33 The appropriations in this section are subject to the following
34 conditions and limitations:

1 (1) \$237,454,000 of the general fund--state appropriation for
2 fiscal year 2014, \$237,455,000 of the general fund--state appropriation
3 for fiscal year 2015, and \$147,000,000 of the opportunity pathways
4 account--state appropriation are provided solely for student financial
5 aid payments under the state need grant and state work study program
6 including up to a four percent administrative allowance for the state
7 work study program.

8 (2) Changes made to the state need grant program in the 2011-2013
9 fiscal biennium are continued in the 2013-2015 fiscal biennium
10 including aligning increases in awards given to private institutions
11 with their average annual tuition increase experience of 3.5 percent
12 per year and reducing the awards for students who first enrolled as a
13 new student in for-profit institutions as of the 2011-2012 academic
14 year by fifty percent, except that one-half of the fifty percent
15 reduction shall be restored on July 1, 2013, for students attending
16 regionally accredited for-profit institutions.

17 (3) Changes made to the state work study program in the 2009-2011
18 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal
19 biennium including maintaining the increased required employer share of
20 wages; adjusted employer match rates; discontinuation of nonresident
21 student eligibility for the program; and revising distribution methods
22 to institutions by taking into consideration other factors such as off-
23 campus job development, historical utilization trends, and student
24 need.

25 (4) Within the funds appropriated in this section, eligibility for
26 the state need grant shall include students with family incomes at or
27 below 70 percent of the state median family income (MFI), adjusted for
28 family size, and shall include students enrolled in three to five
29 credit-bearing quarter credits, or the equivalent semester credits.
30 Awards for all students shall be adjusted by the estimated amount by
31 which Pell grant increases exceed projected increases in the
32 noninstructional costs of attendance. Awards for students with incomes
33 between 51 and 70 percent of the state median shall be prorated at the
34 following percentages of the award amount granted to those with incomes
35 below 51 percent of the MFI: 70 percent for students with family
36 incomes between 51 and 55 percent MFI; 65 percent for students with
37 family incomes between 56 and 60 percent MFI; 60 percent for students

1 with family incomes between 61 and 65 percent MFI; and 50 percent for
2 students with family incomes between 66 and 70 percent MFI.

3 (5) Students who are eligible for the college bound scholarship
4 shall be given priority for the state need grant program. Institutions
5 must award the maximum state need grant for which the student is
6 eligible under state policies prior to awarding the college bound
7 scholarship for students who have applied for aid in a timely fashion.

8 (6) \$13,933,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$19,792,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the college bound scholarship
11 program.

12 (7) \$2,236,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$2,236,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for the passport to college
15 program. The maximum scholarship award shall be \$5,000. The board
16 shall contract with a nonprofit organization to provide support
17 services to increase student completion in their postsecondary program
18 and shall, under this contract, provide a minimum of \$500,000 in fiscal
19 years 2014 and 2015 for this purpose.

20 (8) \$250,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$250,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the aerospace student loan
23 program. In addition to the entities listed in RCW 28B.122.010, the
24 aerospace student loan program may provide loans to students attending
25 an aerospace training program at Renton technical college.

26 **NEW SECTION. Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**
27 **COORDINATING BOARD**

28	General Fund--State Appropriation (FY 2014)	\$1,425,000
29	General Fund--State Appropriation (FY 2015)	\$1,323,000
30	General Fund--Federal Appropriation	\$54,254,000
31	TOTAL APPROPRIATION	\$57,002,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: For the 2013-2015 fiscal biennium, the
34 board shall not designate recipients of the Washington award for
35 vocational excellence or recognize them at award ceremonies as provided
36 in RCW 28C.04.535.

1 NEW SECTION. **Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

2	General Fund--State Appropriation (FY 2014)	\$37,214,000
3	General Fund--State Appropriation (FY 2015)	\$40,542,000
4	General Fund--Federal Appropriation	\$295,994,000
5	Home Visiting Services Account--State Appropriation	\$2,868,000
6	Home Visiting Services Account--Federal	
7	Appropriation	\$22,757,000
8	Washington Opportunity Pathways Account--State	
9	Appropriation	\$80,000,000
10	Children's Trust Account--State Appropriation	\$180,000
11	TOTAL APPROPRIATION	\$479,555,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) \$25,285,000 of the general fund--state appropriation for fiscal
15 year 2014, \$29,155,000 of the general fund--state appropriation of
16 fiscal year 2013, \$80,000,000 of the opportunity pathways account
17 appropriation, and \$2,256,000 of the general fund--federal
18 appropriation are provided solely for the early childhood education
19 assistance program services. Of these amounts, \$10,284,000 is a
20 portion of the biennial amount of state maintenance of effort dollars
21 required to receive federal child care and development fund grant
22 dollars.

23 (2) \$158,717,000 of the general fund--federal appropriation is
24 provided solely for the working connections child care program under
25 RCW 43.215.135.

26 (3) The department is the lead agency for and recipient of the
27 federal child care and development fund grant. Amounts within this
28 grant shall be used to fund child care licensing, quality initiatives,
29 agency administration, and other costs associated with child care
30 subsidies. The department shall transfer a portion of this grant to
31 the department of social and health services to fund the child care
32 subsidies paid by the department of social and health services on
33 behalf of the department of early learning.

34 (4) \$150,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$150,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely to develop and provide culturally
37 relevant supports for parents, family, and other caregivers.

1 (5) \$1,434,000 of the general fund--state appropriation for fiscal
2 year 2014, \$1,434,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for expenditure into the home
4 visiting services account.

5 (6) \$556,000 of the general fund--state appropriation for fiscal
6 year 2014, \$556,000 of the general fund--state appropriation for fiscal
7 year 2015, and \$477,000 of the general fund--federal appropriation are
8 provided solely for implementation of an electronic benefit transfer
9 system. The system shall include electronic time keeping and payment
10 system. The department shall coordinate implementation of this system
11 with the department of social and health services.

12 (7) \$155,000 of the general fund--state appropriation for fiscal
13 year 2015, \$155,000 of the general fund--state appropriation for fiscal
14 year 2015, and \$133,000 of the general fund--state appropriation are
15 provided solely for implementation of an electronic eligibility system
16 for child care benefits.

17 (8) Within available amounts, the department in consultation with
18 the office of financial management and the department of social and
19 health services shall report quarterly enrollments and active caseload
20 for the working connections child care program to the legislative
21 fiscal committees and the legislative-executive WorkFirst oversight
22 task force. The report shall also identify the number of cases
23 participating in both temporary assistance for needy families and
24 working connections child care.

25 (9) \$1,025,000 of the general fund--state appropriation for fiscal
26 year 2014, \$1,075,000 of the general fund--state appropriation for
27 fiscal year 2015, and \$13,424,000 of the general fund--federal
28 appropriation are provided solely for the seasonal child care program.

29 (10) \$3,022,000 of the general fund--state appropriation for fiscal
30 year 2014, \$2,522,000 of the general fund--state appropriation for
31 fiscal year 2015, and \$4,304,000 of the general fund--federal
32 appropriation are provided solely for the medicaid treatment child care
33 (MTCC) program. The department shall contract for MTCC services to
34 provide therapeutic child care and other specialized treatment services
35 to abused, neglected, at-risk, and/or drug-affected children. Priority
36 for services shall be given to children referred from the department of
37 social and health services children's administration. In addition to
38 referrals made by children's administration, the department shall

1 authorize services for children referred to the MTCC program, as long
2 as the children meet the eligibility requirements as outlined in the
3 Washington state plan for the MTCC program.

4 (a) Of the amounts provided in this subsection, \$60,000 per fiscal
5 year may be used by the department for administering the MTCC program,
6 if needed.

7 (b) Of the amounts provided in this subsection, \$500,000 of the
8 general fund--state appropriation for fiscal year 2014 is provided
9 solely to continue providing services in the event of losing federal
10 funding for the MTCC program. To the extent that the moneys provided
11 in this subsection (10)(b) are not necessary for this purpose, the
12 amounts provided shall lapse.

13 (11) \$300,000 of the general fund--federal appropriation is
14 provided solely for a contract with a nonprofit entity experienced in
15 the provision of promoting early literacy for children through
16 pediatric office visits.

17 (12) \$134,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$100,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for implementation of Second
20 Substitute Senate Bill No. 5595 (child care reform). If the bill is
21 not enacted by June 30, 2013, the amounts provided in this subsection
22 shall lapse.

23 NEW SECTION. **Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

24	General Fund--State Appropriation (FY 2014)	\$5,958,000
25	General Fund--State Appropriation (FY 2015)	\$5,742,000
26	General Fund--Private/Local Appropriation	\$18,000
27	TOTAL APPROPRIATION	\$11,718,000

28 NEW SECTION. **Sec. 617. FOR THE WASHINGTON STATE CENTER FOR**
29 **CHILDHOOD DEAFNESS AND HEARING LOSS**

30	General Fund--State Appropriation (FY 2014)	\$8,579,000
31	General Fund--State Appropriation (FY 2015)	\$8,573,000
32	TOTAL APPROPRIATION	\$17,152,000

33 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

34	General Fund--State Appropriation (FY 2014)	\$1,126,000
35	General Fund--State Appropriation (FY 2015)	\$1,099,000

1	General Fund--Federal Appropriation	\$2,074,000
2	General Fund--Private/Local Appropriation . . . . .	.\$12,000
3	TOTAL APPROPRIATION	\$4,311,000

4 NEW __ SECTION. **Sec. 619. FOR THE WASHINGTON STATE HISTORICAL**
5 **SOCIETY**

6	General Fund--State Appropriation (FY 2014)	\$2,110,000
7	General Fund--State Appropriation (FY 2015)	\$2,140,000
8	TOTAL APPROPRIATION	\$4,250,000

9 NEW __ SECTION. **Sec. 620. FOR THE EASTERN WASHINGTON STATE**
10 **HISTORICAL SOCIETY**

11	General Fund--State Appropriation (FY 2014)	\$1,601,000
12	General Fund--State Appropriation (FY 2015)	\$1,534,000
13	TOTAL APPROPRIATION	\$3,135,000

(End of part)

PART VII
SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2014)	\$973,029,000
General Fund--State Appropriation (FY 2015)	\$1,047,664,000
State Building Construction Account--State Appropriation	\$4,297,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$269,000
State Taxable Building Construction Account--State Appropriation	\$211,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,320,000
TOTAL APPROPRIATION	\$2,027,790,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

Accident Account--State Appropriation	\$4,138,000
Medical Aid Account--State Appropriation	\$4,138,000
TOTAL APPROPRIATION	\$8,276,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2014)	\$25,636,000
General Fund--State Appropriation (FY 2015)	\$16,102,000
Nondebt-Limit Reimbursable Bond Retirement Account--State	

1 Appropriation \$140,215,000
 2 TOTAL APPROPRIATION \$181,953,000

3 The appropriations in this section are subject to the following
 4 conditions and limitations: The general fund appropriation is for
 5 expenditure into the nondebt-limit general fund bond retirement
 6 account. The entire general fund--state appropriation for fiscal year
 7 2014 shall be expended into the nondebt-limit general fund bond
 8 retirement account by June 30, 2014.

9 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
 10 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
 11 **BOND SALE EXPENSES**

12 General Fund--State Appropriation (FY 2014) \$1,726,000
 13 General Fund--State Appropriation (FY 2015) \$1,726,000
 14 State Building Construction Account--State Appropriation . . . \$867,000
 15 Columbia River Basin Water Supply Development
 16 Account--State Appropriation \$57,000
 17 State Taxable Building Construction Account--State
 18 Appropriation \$45,000
 19 TOTAL APPROPRIATION \$4,421,000

20 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 21 **FIRE CONTINGENCY**

22 General Fund--State Appropriation (FY 2014) \$4,000,000
 23 General Fund--State Appropriation (FY 2015) \$4,000,000
 24 TOTAL APPROPRIATION \$8,000,000

25 The appropriations in this section are subject to the following
 26 conditions and limitations: The appropriations are provided solely for
 27 expenditure into the disaster response account to be used for any
 28 Washington state fire service resource mobilization costs incurred by
 29 the Washington state patrol in response to an emergency or disaster
 30 authorized under RCW 43.43.960 and 43.43.964.

31 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 32 **DISASTER RESPONSE ACCOUNT**

33 General Fund--State Appropriation (FY 2014) \$5,100,000
 34 General Fund--State Appropriation (FY 2015) \$2,500,000
 35 TOTAL APPROPRIATION \$7,600,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations are provided solely for
3 expenditure into the disaster response account. \$5,000,000 of the
4 appropriation is provided for emergency fire suppression by the
5 department of natural resources.

6 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
7 **EMERGENCY FUND**

8	General Fund--State Appropriation (FY 2014)	\$850,000
9	General Fund--State Appropriation (FY 2015)	\$850,000
10	TOTAL APPROPRIATION	\$1,700,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: The appropriations in this section are for
13 the governor's emergency fund for the critically necessary work of any
14 agency.

15 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
16 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

17	General Fund--State Appropriation (FY 2014)	\$8,000,000
18	General Fund--State Appropriation (FY 2015)	\$8,000,000
19	TOTAL APPROPRIATION	\$16,000,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: The appropriations in this section are
22 provided solely for expenditure into the education technology revolving
23 account for the purpose of covering ongoing operational and equipment
24 replacement costs incurred by the K-20 educational network program in
25 providing telecommunication services to network participants.

26 NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
27 **O'BRIEN BUILDING IMPROVEMENT**

28	General Fund--State Appropriation (FY 2014)	\$2,948,000
29	General Fund--State Appropriation (FY 2015)	\$2,942,000
30	TOTAL APPROPRIATION	\$5,890,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The appropriations are provided solely for
33 expenditure into the general administration services account for

1 payment of principal, interest, and financing expenses associated with
 2 the certificate of participation for the O'Brien building improvement,
 3 project number 20081007.

4 NEW SECTION. **Sec. 710. FOR THE STATE TREASURER--COUNTY PUBLIC**
 5 **HEALTH ASSISTANCE**

6	General Fund--State Appropriation (FY 2014)	\$36,532,000
7	General Fund--State Appropriation (FY 2015)	\$36,532,000
8	TOTAL APPROPRIATION	\$73,064,000

9 The appropriations in this section are subject to the following
 10 conditions and limitations: The state treasurer shall distribute the
 11 appropriations to the following counties and health districts in the
 12 amounts designated to support public health services, including public
 13 health nursing:

15	Health District	FY 2014	FY 2015	2013-15
16				Biennium
17	Adams County Health District	\$122,274	\$122,274	\$244,548
18	Asotin County Health District	\$160,974	\$160,974	\$321,947
19	Benton-Franklin Health District	\$1,619,612	\$1,619,612	\$3,239,223
20	Chelan-Douglas Health District	\$402,160	\$402,160	\$804,320
21	Clallam County Health and Human Services	\$293,160	\$293,160	\$586,320
22	Department			
23	Clark County Health District	\$1,775,682	\$1,775,682	\$3,551,373
24	Skamania County Health Department	\$112,322	\$112,322	\$224,644
25	Columbia County Health District	\$120,925	\$120,925	\$241,850
26	Cowlitz County Health Department	\$480,325	\$480,325	\$960,650
27	Garfield County Health District	\$94,072	\$94,072	\$188,145
28	Grant County Health District	\$299,867	\$299,868	\$599,735
29	Grays Harbor Health Department	\$337,450	\$337,450	\$674,901
30	Island County Health Department	\$257,144	\$257,144	\$514,288
31	Jefferson County Health and Human Services	\$185,235	\$185,235	\$370,471
32	Seattle-King County Department of Public Health	\$12,723,640	\$12,723,640	\$25,447,280
33	Bremerton-Kitsap County Health District	\$1,002,681	\$1,002,681	\$2,005,362
34	Kittitas County Health Department	\$200,231	\$200,231	\$400,461
35	Klickitat County Health Department	\$154,858	\$154,858	\$309,716

1	Lewis County Health Department	\$264,983	\$264,983	\$529,967
2	Lincoln County Health Department	\$114,907	\$114,907	\$229,814
3	Mason County Department of Health Services	\$228,993	\$228,993	\$457,987
4	Okanogan County Health District	\$171,133	\$171,133	\$342,266
5	Pacific County Health Department	\$170,152	\$170,152	\$340,305
6	Tacoma-Pierce County Health Department	\$4,158,716	\$4,158,716	\$8,317,431
7	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,139
8	Skagit County Health Department	\$452,399	\$452,399	\$904,799
9	Snohomish Health District	\$3,447,104	\$3,447,104	\$6,894,208
10	Spokane County Health District	\$2,886,438	\$2,886,438	\$5,772,877
11	Northeast Tri-County Health District	\$250,935	\$250,935	\$501,870
12	Thurston County Health Department	\$1,052,145	\$1,052,145	\$2,104,291
13	Wahkiakum County Health Department	\$94,114	\$94,113	\$188,228
14	Walla Walla County-City Health Department	\$303,702	\$303,702	\$607,405
15	Whatcom County Health Department	\$1,218,514	\$1,218,514	\$2,437,029
16	Whitman County Health Department	\$190,655	\$190,655	\$381,311
17	Yakima Health District	\$1,057,521	\$1,057,521	\$2,115,042
18				
19	TOTAL APPROPRIATIONS	\$36,531,596	\$36,531,596	\$73,063,202

20 NEW SECTION. **Sec. 711. BELATED CLAIMS**

21 The agencies and institutions of the state may expend moneys
22 appropriated in this act, upon approval of the office of financial
23 management, for the payment of supplies and services furnished to the
24 agency or institution in prior fiscal biennia.

25 NEW __ SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT**
26 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations for the law enforcement
29 officers' and firefighters' retirement system shall be made on a
30 monthly basis consistent with chapter 41.45 RCW, and the appropriations
31 for the judges and judicial retirement systems shall be made on a
32 quarterly basis consistent with chapters 2.10 and 2.12 RCW.

33 (1) There is appropriated for state contributions to the law
34 enforcement officers' and firefighters' retirement system:

35	General Fund--State Appropriation (FY 2014)	\$58,700,000
36	General Fund--State Appropriation (FY 2015)	\$61,600,000

1 TOTAL APPROPRIATION \$120,300,000
 2 (2) There is appropriated for contributions to the judicial
 3 retirement system:
 4 General Fund--State Appropriation (FY 2014) \$10,600,000
 5 General Fund--State Appropriation (FY 2015) \$10,600,000
 6 TOTAL APPROPRIATION \$21,200,000

7 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 8 **COMPENSATION INCREASE - NEW STEP M**

9 General Fund--State Appropriation (FY 2014) \$16,943,000
 10 General Fund--State Appropriation (FY 2015) \$18,252,000
 11 Special Compensation Increase Revolving Account
 12 Appropriation \$25,750,000
 13 TOTAL APPROPRIATION \$60,945,000

14 The appropriations in this section are subject to the following
 15 conditions and limitations:

16 (1) The appropriations in this section are provided solely to
 17 increase agency and institution appropriations to reflect compensation
 18 increases resulting from the implementation of a new step M on the
 19 salary grid for classified employees.

20 (2) To facilitate the transfer of moneys from dedicated funds and
 21 accounts, the state treasurer shall transfer sufficient moneys from
 22 each dedicated fund or account to the special compensation increase
 23 revolving account in accordance with schedules provided by the office
 24 of financial management.

25 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 26 **CONTRIBUTIONS FOR STATE EMPLOYEE HEALTH INSURANCE**

27 General Fund--State Appropriation (FY 2014) (\$29,749,000)
 28 General Fund--State Appropriation (FY 2015) (\$44,434,000)
 29 Special Insurance Contribution Adjustment
 30 Revolving Account Appropriation (\$65,783,000)
 31 TOTAL APPROPRIATION (\$139,966,000)

32 The appropriations in this section are subject to the following
 33 conditions and limitations:

34 (1) The appropriations in this section are provided solely to
 35 reduce agency and institution appropriations to reflect changes in

1 part-time employee eligibility consistent with the federal affordable
2 care act standards for employer shared responsibility under Senate Bill
3 No. . . . (S-2260/13), and decreased employer health insurance costs
4 consistent with the contribution rates included in sections 932, 933,
5 and 939 of this act.

6 (2) To facilitate the transfer of moneys from dedicated funds and
7 accounts, the state treasurer shall transfer sufficient moneys from
8 each dedicated fund or account to the special insurance contribution
9 adjustment revolving account in accordance with schedules provided by
10 the office of financial management. The office shall reduce allotments
11 for all agencies to reflect these savings.

12 (3) From the allotment reductions made pursuant to this section,
13 the office of financial management shall allocate \$3,900,000 general
14 fund--state in fiscal year 2014, \$7,800,000 general fund--state in
15 fiscal year 2015, and \$14,256,000 from all other funds to the health
16 care authority to be used solely for reimbursing part-time state and
17 higher education employees for a portion of health insurance premiums
18 they pay for coverage in plans offered through the Washington health
19 benefit exchange beginning January 1, 2014. The adjustment to state
20 agency and higher education insurance allocations in this section
21 reflect savings from aligning the health insurance eligibility criteria
22 for part-time employees with the employer responsibility provisions of
23 the federal affordable care act. Beginning January 1, 2014, employees
24 with family incomes below 400 percent of the federal poverty level who
25 are not offered employer health insurance coverage are eligible for
26 federal premium credits and subsidies for out-of-pocket costs for
27 health insurance purchased through the Washington health benefits
28 exchange.

29 (4) Only persons who are employed for at least 80 hours per month
30 for at least six consecutive months are eligible for the exchange
31 premium reimbursement benefit provided under this section, and only for
32 months in which they work at least 80 hours.

33 (5) The exchange premium reimbursement benefit may not exceed \$2.00
34 per hour for the number of hours worked by the part-time employee in a
35 month, and in no case shall exceed \$260 per month. Reimbursement may
36 only be provided for coverage of the employee and the employee's spouse
37 and dependent children.

1 (6) The authority shall administer the exchange premium
2 reimbursement benefit funded by this appropriation and may adopt rules
3 to implement the benefit.

4 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
5 **ALLOCATIONS FOR K-12 SCHOOL EMPLOYEE HEALTH INSURANCE**

6	General Fund--State Appropriation (FY 2014)	(\$45,100,000)
7	General Fund--State Appropriation (FY 2015)	(\$41,900,000)
8	TOTAL APPROPRIATION	(\$87,000,000)

9 The appropriations in this section are subject to the following
10 conditions and limitations: The office of financial management,
11 consistent with the provisions of section 504 of this act, shall reduce
12 allocations to K-12 school districts and education service districts
13 for insurance benefits for part-time employees consistent with the
14 appropriations in this section. By aligning part-time employee
15 eligibility more closely with the federal affordable care act employer
16 shared responsibility standards, more part-time school employees will
17 be eligible for premium tax credits and subsidies available for health
18 insurance purchased through the Washington health benefits exchange.

19 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
20 **RETIREMENT SYSTEM CONTRIBUTIONS**

21	General Fund--State Appropriation (FY 2014)	(\$1,150,000)
22	General Fund--State Appropriation (FY 2015)	(\$1,150,000)
23	TOTAL APPROPRIATION	(\$2,300,000)

24 The appropriations in this section are subject to the following
25 conditions and limitations: The appropriation adjustments in this
26 section reflect state and public school retirement system contribution
27 savings associated with the enactment of Substitute Senate Bill No.
28 5851 (defined contribution retirement plan). The office shall reduce
29 agency allotments and public school allocations to reflect these
30 savings. If the bill is not enacted by June 30, 2013, the adjustments
31 provided in this section shall lapse.

32 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
33 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

34	General Fund--State Appropriation (FY 2014)	\$4,981,000
35	General Fund--State Appropriation (FY 2015)	\$4,981,000

1 TOTAL APPROPRIATION \$9,962,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: The appropriations in this section are
4 provided solely for expenditure into the cleanup settlement account on
5 July 1, 2013, and July 1, 2014, as repayment of moneys that were
6 transferred to the state efficiency and restructuring account.

7 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
8 **AGENCY EFFICIENCIES**

9 General Fund--State Appropriation (FY 2014) (\$25,000,000)
10 General Fund--State Appropriation (FY 2015) (\$25,000,000)
11 TOTAL APPROPRIATION (\$50,000,000)

12 The appropriations in this section are subject to the following
13 conditions and limitations: The office of financial management shall
14 reduce allotments for all agencies by \$25,000,000 from fiscal year 2014
15 general fund--state appropriations and \$25,000,000 from fiscal year
16 2015 general fund--state appropriations in this act to reflect (1)
17 available fund balances in dedicated revolving funds used for central
18 services to state agencies and (2) more efficient delivery of
19 consolidated central services to state agencies, including savings
20 achieved pursuant to Substitute Senate Bill No. 5717 (competitive
21 contracting).

22 NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
23 **INFORMATION TECHNOLOGY EXPENDITURES**

24 General Fund--State Appropriation (FY 2014) (\$7,500,000)
25 General Fund--State Appropriation (FY 2015) (\$7,500,000)
26 TOTAL APPROPRIATION (\$15,000,000)

27 The appropriations in this section are subject to the following
28 conditions and limitations: The office of financial management shall
29 reduce allotments for all agencies by \$7,500,000 from fiscal year 2014
30 general fund--state appropriations and \$7,500,000 from fiscal year 2015
31 general fund--state appropriations in this act to reflect efficiencies
32 in information technology expenditures statewide, including savings
33 achieved pursuant to Senate Bill No. . . . (S-2261) (information
34 technology).

1 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
2 **INDUSTRIAL INSURANCE SAVINGS**

3 From the appropriations in this act, the office of financial
4 management shall reduce general fund--state allotments for fiscal year
5 2014 by \$4,948,000 and for fiscal year 2015 by \$4,645,000 to reflect
6 savings in the industrial insurance costs of state agencies. The
7 allotment reductions shall be placed in reserve status and remain
8 unexpended. If neither Engrossed Substitute Senate Bill No. 5127 nor
9 Engrossed Substitute Senate Bill No. 5128 is enacted by June 30, 2013,
10 this section shall not take effect.

11 NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
12 **SECRETARY OF STATE ARCHIVES SERVICES ADJUSTMENTS**

13	General Fund--State Appropriation (FY 2014)	(\$1,000)
14	General Fund--State Appropriation (FY 2015)	\$1,000
15	Other Appropriated Funds	\$1,000
16	TOTAL APPROPRIATION	\$1,000

17 The appropriations in this section are solely for the purpose
18 designated in this section and are subject to the following conditions
19 and limitations:

20 (1) Appropriations are adjusted to reflect adjustments in funding
21 for charges associated with state archives services.

22 (2) The office of financial management shall update agency
23 appropriation schedules to reflect the changes to funding levels in
24 this section.

25 NEW SECTION. **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
26 **AUDIT SERVICES ADJUSTMENTS**

27	General Fund--State Appropriation (FY 2015)	\$4,000
28	Other Appropriated Funds	\$3,000
29	TOTAL APPROPRIATION	\$7,000

30 The appropriations in this section are solely for the purpose
31 designated in this section and are subject to the following conditions
32 and limitations:

33 (1) Appropriations are adjusted to reflect adjustments in funding
34 for charges associated with audit services.

35 (2) The office of financial management shall update agency

1 appropriation schedules to reflect the changes to funding levels in
2 this section.

3 NEW SECTION. **Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
4 **ATTORNEY GENERAL LEGAL SERVICES ADJUSTMENTS**

5	General Fund--State Appropriation (FY 2014)	(\$401,000)
6	General Fund--State Appropriation (FY 2015)	(\$338,000)
7	General Fund--Private/Local Appropriation	(\$15,000)
8	General Fund--Federal Appropriation	(\$206,000)
9	Other Appropriated Funds	(\$2,538,000)
10	TOTAL APPROPRIATION	(\$3,498,000)

11 The appropriations in this section are solely for the purpose
12 designated in this section and are subject to the following conditions
13 and limitations:

14 (1) Appropriations are adjusted to reflect adjustments in funding
15 for charges associated with legal services.

16 (2) The office of financial management shall update agency
17 appropriation schedules to reflect the changes to funding levels in
18 this section.

19 NEW SECTION. **Sec. 724. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
20 **ADMINISTRATIVE HEARINGS SERVICES ADJUSTMENTS**

21	General Fund--State Appropriation (FY 2014)	\$89,000
22	General Fund--State Appropriation (FY 2015)	\$89,000
23	Other Appropriated Funds	\$284,000
24	TOTAL APPROPRIATION	\$462,000

25 The appropriations in this section are solely for the purpose
26 designated in this section and are subject to the following conditions
27 and limitations:

28 (1) Appropriations are adjusted to reflect adjustments in funding
29 for charges associated with administrative hearings services.

30 (2) The office of financial management shall update agency
31 appropriation schedules to reflect the changes to funding levels in
32 this section.

33 NEW SECTION. **Sec. 725. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
34 **CONSOLIDATED TECHNOLOGY CENTRAL SERVICES ADJUSTMENTS**

35	General Fund--State Appropriation (FY 2014)	\$278,000
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1	General Fund--State Appropriation (FY 2015)	\$296,000
2	Other Appropriated Funds	\$531,000
3	TOTAL APPROPRIATION	\$1,105,000

4 The appropriations in this section are solely for the purpose
5 designated in this section and are subject to the following conditions
6 and limitations:

7 (1) Appropriations are adjusted to reflect adjustments in funding
8 for charges associated with consolidated technology services.

9 (2) The office of financial management shall update agency
10 appropriation schedules to reflect the changes to funding levels in
11 this section.

12 NEW SECTION. **Sec. 726. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
13 **DEPARTMENT OF ENTERPRISE CENTRAL SERVICES ADJUSTMENTS**

14	General Fund--State Appropriation (FY 2014)	(\$2,102,000)
15	General Fund--State Appropriation (FY 2015)	(\$323,000)
16	Other Appropriated Funds	(\$1,804,000)
17	TOTAL APPROPRIATION	(\$4,229,000)

18 The appropriations in this section are solely for the purpose
19 designated in this section and are subject to the following conditions
20 and limitations:

21 (1) Appropriations are adjusted to reflect adjustments in funding
22 for charges associated with enterprise services.

23 (2) The office of financial management shall update agency
24 appropriation schedules to reflect the changes to funding levels in
25 this section.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include: General Fund Appropriation for fire insurance premium distributions (\$8,248,000), General Fund Appropriation for public utility district excise tax distributions (\$50,894,000), General Fund Appropriation for prosecuting attorney distributions (\$6,068,000), General Fund Appropriation for boating safety and education distributions (\$4,000,000), General Fund Appropriation for other tax distributions (\$65,000), General Fund Appropriation for habitat conservation program distributions (\$3,000,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$3,158,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$146,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$72,120,000), County Criminal Justice Assistance Appropriation (\$78,983,000), Municipal Criminal Justice Assistance Appropriation (\$30,550,000), City-County Assistance Account Appropriation for local government financial assistance distribution (\$17,134,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution, provided that \$100,000 must be allocated to the department of commerce from the counties' distribution to implement the provisions of section 128(8) of this act (\$24,744,000), Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law.

1	changes	\$50,488,000
2	Columbia River Water Delivery Account Appropriation for	
3	the Confederated Tribes of the Colville	
4	Reservation	\$7,760,000
5	Columbia River Water Delivery Account Appropriation for	
6	the Spokane Tribe of Indians	\$5,025,000
7	Liquor Revolving Account Appropriation for liquor	
8	profits distribution	\$98,876,000
9	TOTAL APPROPRIATION	\$461,259,000

10 The total expenditures from the state treasury under the
11 appropriations in this section shall not exceed the funds available
12 under statutory distributions for the stated purposes.

13 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
14 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

15 Impaired Driver Safety Account Appropriation \$2,469,000

16 The appropriation in this section is subject to the following
17 conditions and limitations: The amount appropriated in this section
18 shall be distributed quarterly during the 2013-2015 fiscal biennium in
19 accordance with RCW 82.14.310. This funding is provided to counties
20 for the costs of implementing criminal justice legislation including,
21 but not limited to: Chapter 206, Laws of 1998 (drunk driving
22 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
23 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
24 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
25 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
26 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
27 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
28 215, Laws of 1998 (DUI provisions).

29 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**
30 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

31 Impaired Driver Safety Account Appropriation \$1,646,000

32 The appropriation in this section is subject to the following
33 conditions and limitations: The amount appropriated in this section
34 shall be distributed quarterly during the 2013-2015 fiscal biennium to
35 all cities ratably based on population as last determined by the office

1 of financial management. The distributions to any city that
2 substantially decriminalizes or repeals its criminal code after July 1,
3 1990, and that does not reimburse the county for costs associated with
4 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the
5 county in which the city is located. This funding is provided to
6 cities for the costs of implementing criminal justice legislation
7 including, but not limited to: Chapter 206, Laws of 1998 (drunk
8 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter
9 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
10 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
11 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
12 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
13 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
14 215, Laws of 1998 (DUI provisions).

15 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
16 **FOR DISTRIBUTION**

17 General Fund Appropriation for federal flood control
18 funds distribution \$66,000
19 General Fund Appropriation for federal grazing fees
20 distribution \$1,706,000
21 Forest Reserve Fund Appropriation for federal forest
22 reserve fund distribution \$5,636,000
23 TOTAL APPROPRIATION \$7,408,000

24 The total expenditures from the state treasury under the
25 appropriations in this section shall not exceed the funds available
26 under statutory distributions for the stated purposes.

27 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

28 State Treasurer's Service Account: For transfer to
29 the state general fund, \$10,000,000 for fiscal
30 year 2014 and \$10,000,000 for fiscal year 2015 \$20,000,000
31 Drinking Water Assistance Account: For transfer to
32 the drinking water assistance repayment account \$32,000,000
33 General Fund: For transfer to the streamlined sales
34 and use tax account, \$25,284,000 for fiscal
35 year 2014 and \$25,204,000 for fiscal year 2015 \$50,488,000
36 Public Works Assistance Account: For transfer to the

1 water pollution control revolving account,
2 \$7,750,000 for fiscal year 2014 and \$7,750,000
3 for fiscal year 2015 \$15,500,000
4 Public Works Assistance Account: For transfer to the
5 drinking water assistance account, \$4,400,000 for
6 fiscal year 2014 and \$4,400,000 for fiscal year
7 2015 \$8,800,000
8 Public Works Assistance Account: For transfer to the
9 state general fund, \$15,000,000 for fiscal year
10 2014 \$15,000,000
11 State Taxable Building Construction Account: For
12 transfer to the Columbia River basin taxable bond
13 water supply development account, an amount not to
14 exceed \$30,545,000
15 General Fund: For transfer to the child and family
16 reinvestment account, \$3,758,000 for fiscal year
17 2014 and \$1,955,000 for fiscal year 2015 \$5,713,000
18 Tobacco Settlement Account: For transfer to the state
19 general fund, in an amount not to exceed the actual
20 amount of the annual base payment to the tobacco
21 settlement account \$156,886,000
22 Tobacco Settlement Account: For transfer to the state
23 general fund from the amounts deposited in the
24 account that are attributable to the annual
25 strategic contribution payment received in
26 fiscal year 2014 \$21,000,000
27 Tobacco Settlement Account: For transfer to the state
28 general fund from the amounts deposited in the
29 account that are attributable to the annual
30 strategic contribution payment received in fiscal
31 year 2015 \$21,000,000
32 Tobacco Settlement Account: For transfer to the life
33 sciences discovery fund, in an amount not to exceed
34 the actual remaining amount of the annual strategic
35 contribution payment to the tobacco settlement account
36 for fiscal year 2014 \$5,442,000
37 Tobacco Settlement Account: For transfer to the life
38 sciences discovery fund, in an amount not to exceed

1 the actual remaining amount of the annual strategic
 2 contribution payment to the tobacco settlement account
 3 for fiscal year 2015 \$5,207,000
 4 The transfer to the life sciences discovery fund is subject to the
 5 following conditions: The life sciences discovery fund authority board
 6 of trustees shall begin preparing to become a self-sustaining entity
 7 capable of operating without direct state subsidy by the time the
 8 tobacco strategic contribution supplemental payments end in fiscal year
 9 2017.
 10 Home Security Fund Account: For transfer to the
 11 transitional housing operating and rent account \$5,000,000
 12 Energy Freedom Account: For transfer to the state
 13 general fund, \$1,000,000 for fiscal year 2014
 14 and \$1,000,000 for fiscal year 2015 \$2,000,000
 15 Aquatic Lands Enhancement Account: For transfer
 16 to the marine resources stewardship trust account . . . \$3,700,000
 17 University of Washington Hospital Account: For transfer
 18 to the state general fund, \$5,765,000 for fiscal
 19 year 2014 and \$6,735,000 for fiscal year 2015 \$12,500,000
 20 Employment Training Finance Account: For transfer to
 21 the state general fund, \$1,000,000 for fiscal year
 22 2014 and \$1,000,000 for fiscal year 2015 \$2,000,000
 23 Tuition Recovery Trust Account: For transfer to the
 24 state general fund, \$1,250,000 for fiscal year 2014
 25 and \$1,250,000 for fiscal year 2015 \$2,500,000
 26 Common School Construction Fund: For transfer to the
 27 education legacy trust account, \$83,000,000 in
 28 fiscal year 2014 and \$83,000,000 in fiscal year
 29 2015 \$166,000,000
 30 Pollution Liability Insurance Program Trust Account:
 31 For transfer to the state general fund \$5,000,000
 32 Professional Engineers' Account: For transfer to the
 33 state general fund, \$957,000 for fiscal year 2014
 34 and \$956,000 for fiscal year 2015 \$1,913,000
 35 Washington Housing Trust Account: For transfer to the
 36 state general fund, \$1,630,000 for fiscal year 2014
 37 and \$1,630,000 for fiscal year 2015 \$3,260,000
 38 Electrical License Account: For transfer to the state

1	general fund, \$1,700,000 for fiscal year 2014 and	
2	\$1,700,000 for fiscal year 2015	\$3,400,000
3	Real Estate Commission Account: For transfer to the	
4	state general fund, \$1,700,000 for fiscal year 2014	
5	and \$1,700,000 for fiscal year 2015	\$3,400,000
6	Business and Professions Account: For transfer to the	
7	state general fund, \$1,838,000 for fiscal year 2014	
8	and \$1,800,000 for fiscal year 2015	\$3,638,000
9	Certified Public Accountants' Account: For transfer	
10	to the state general fund, \$1,596,000 for fiscal	
11	year 2014 and \$1,600,000 for fiscal year 2015	\$3,196,000

(End of part)

1 **DOWNSHIFTING INCENTIVES**

2 As a management tool to reduce costs and make more effective use of
3 resources, while improving employee productivity and morale, agencies
4 may implement a voluntary retirement and/or separation, program that is
5 cost neutral or results in cost savings (including costs to the state
6 pension systems) over a two-year period following the commencement of
7 the program, provided that such a program is approved by the director
8 of financial management. Agencies participating in this authorization
9 may offer voluntary retirement and/or separation incentives and options
10 according to procedures and guidelines established by the office of
11 financial management, in consultation with the office of the state
12 human resources director and the department of retirement systems. The
13 options may include, but are not limited to, financial incentives for
14 voluntary separation or retirement. An employee does not have a
15 contractual right to a financial incentive offered under this section.
16 Offers shall be reviewed and monitored jointly by the office of the
17 state human resources director and the department of retirement
18 systems. Agencies are required to submit a report by July 30, 2015, to
19 the legislature and the office of financial management on the outcome
20 of their approved incentive program. The report should include
21 information on the details of the program including the incentive
22 payment amount for each participant, the total cost to the state, and
23 the projected or actual net dollar savings over the two year period.

24 The department of retirement systems may collect from employers the
25 actuarial cost of any incentive provided under this program, or any
26 other incentive to retire provided by employers to members of the
27 state's pension systems, for deposit in the appropriate pension
28 account.

29 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**
30 **IMPAIRED**

31 Nothing in this act prohibits the expenditure of any funds by an
32 agency or institution of the state for benefits guaranteed by any
33 collective bargaining agreement in effect on the effective date of this
34 section.

35 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

36 The following sections represent the results of the 2013-2015

1 collective bargaining process required under the provisions of chapters
2 41.80, 41.56 and 74.39A RCW. Provisions of the collective bargaining
3 agreements contained in sections 908 through 938 of this act are
4 described in general terms. Only major economic terms are included in
5 the descriptions. These descriptions do not contain the complete
6 contents of the agreements. The collective bargaining agreements or
7 the continuation of terms and conditions of the 2011-2013 agreements
8 contained in Part IX of this act may also be funded by expenditures
9 from nonappropriated accounts. If positions are funded with lidded
10 grants or dedicated fund sources with insufficient revenue, additional
11 funding from other sources is not provided.

12 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENT--WFSE**

13 An agreement has been reached between the governor and the
14 Washington federation of state employees general government under the
15 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
16 Funding is provided to add a longevity step and for backfill costs for
17 a personal leave day. The agreement also includes a one percent salary
18 increase for all bargaining unit members effective July 1, 2014,
19 through June 30, 2015, contingent on the state collecting \$200,000,000
20 or more in unanticipated general fund-state revenue from increased
21 economic activity.

22 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENT--WPEA**

23 An agreement has been reached between the governor and the
24 Washington public employees association general government under the
25 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
26 Funding is provided to add a longevity step. The agreement also
27 includes a one percent salary increase for all bargaining unit members
28 effective July 1, 2014, through June 30, 2015, contingent on the state
29 collecting \$200,000,000 or more in unanticipated general fund-state
30 revenue from increased economic activity.

31 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENT--**
32 **COALITION OF UNIONS**

33 An agreement has been reached between the governor and the
34 coalition of unions under the provisions of chapter 41.80 RCW for the
35 2013-2015 fiscal biennium. Funding is provided to add a longevity

1 step. The agreement also includes a one percent salary increase for
2 all bargaining unit members effective July 1, 2014, through June 30,
3 2015, contingent on the state collecting \$200,000,000 or more in
4 unanticipated general fund-state revenue from increased economic
5 activity.

6 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WAFWP**
7 An agreement has been reached between the governor and the
8 Washington association of fish and wildlife professionals under the
9 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
10 Funding is provided to add a longevity step. The agreement also
11 includes a one percent salary increase for all bargaining unit members
12 effective July 1, 2014, through June 30, 2015, contingent on the state
13 collecting \$200,000,000 or more in unanticipated general fund-state
14 revenue from increased economic activity.

15 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--PTU**
16 **LOCAL 17**
17 An agreement has been reached between the governor and the
18 professional and technical employees local 17 under the provisions of
19 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
20 provided to add a longevity step. The agreement also includes a one
21 percent salary increase for all bargaining unit members effective July
22 1, 2014, through June 30, 2015, contingent on the state collecting
23 \$200,000,000 or more in unanticipated general fund-state revenue from
24 increased economic activity.

25 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--SEIU**
26 **1199NW**
27 An agreement has been reached between the governor and the service
28 employees international union healthcare 1199nw under the provisions of
29 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
30 provided to add a longevity step and for backfill costs for a personal
31 leave day. The agreement also includes a one percent salary increase
32 for all bargaining unit members effective July 1, 2014, through June
33 30, 2015, contingent on the state collecting \$200,000,000 or more in
34 unanticipated general fund-state revenue from increased economic
35 activity.

1 NEW __ SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT--**
2 **TEAMSTERS LOCAL 117**

3 An agreement has been reached between the governor and the
4 international brotherhood of teamsters local 117 under the provisions
5 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
6 provided to add a longevity step. The agreement also includes a one
7 percent salary increase for all bargaining unit members effective July
8 1, 2014, through June 30, 2015, contingent on the state collecting
9 \$200,000,000 or more in unanticipated general fund-state revenue from
10 increased economic activity.

11 NEW __ SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT--WFSE**
12 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

13 An agreement has been reached between the governor and the
14 Washington federation of state employees community college coalition
15 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
16 biennium. Funding is provided to add a longevity step. The agreement
17 also includes a one percent salary increase for all bargaining unit
18 members effective July 1, 2014, through June 30, 2015, contingent on
19 the state collecting \$200,000,000 or more in unanticipated general
20 fund-state revenue from increased economic activity.

21 NEW __ SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT--WPEA**
22 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

23 An agreement has been reached between the governor and the
24 Washington public employees association community college coalition
25 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
26 biennium. Funding is provided to add a longevity step. The agreement
27 also includes a one percent salary increase for all bargaining unit
28 members effective July 1, 2014, through June 30, 2015, contingent on
29 the state collecting \$200,000,000 or more in unanticipated general
30 fund-state revenue from increased economic activity.

31 NEW __ SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT--WSP**
32 **TROOPERS ASSOCIATION**

33 An agreement has been reached between the governor and the
34 Washington state patrol troopers association through an interest
35 arbitration decision under the provisions of chapter 41.56 RCW for the

1 2013-2015 fiscal biennium. Funding is provided for the awarded three
2 percent salary increase for all bargaining unit members effective July
3 1, 2013, and a one percent increase to longevity pay for years five
4 through nine effective July 1, 2014.

5 NEW SECTION. **Sec. 918. COLLECTIVE BARGAINING AGREEMENT--WSP**
6 **LIEUTENANTS ASSOCIATION**

7 An agreement has been reached between the governor and the
8 Washington state patrol lieutenants association through an interest
9 arbitration decision under the provisions of chapter 41.56 RCW for the
10 2013-2015 fiscal biennium. Funding is provided for the awarded three
11 percent salary increase for all bargaining unit members effective July
12 1, 2014, and for parking of department issued vehicles for employees
13 assigned vehicles at the general administration building or capital
14 campus.

15 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENT--YAKIMA**
16 **VALLEY COMMUNITY COLLEGE--WPEA**

17 An agreement has been reached between Yakima Valley Community
18 College and the Washington public employees association under the
19 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
20 Funding is provided to add a longevity step. The agreement also
21 includes that economic terms and conditions replicate those specified
22 in the agreement executed by and between the Washington state higher
23 education coalition and the Washington public employees association
24 under RCW 41.80.010 for the term July 1, 2013, to June 30, 2015.

25 NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENT--THE**
26 **EVERGREEN STATE COLLEGE--WFSE**

27 An agreement has been reached between The Evergreen State College
28 and the Washington federation of state employees under the provisions
29 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
30 provided to add a longevity step and a personal leave day. Funding is
31 also provided for a one percent salary increase for all bargaining unit
32 members beginning July 1, 2014.

33 NEW SECTION. **Sec. 921. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
34 **WASHINGTON UNIVERSITY--WFSE**

1 An agreement has been reached between the Western Washington
2 University and the Washington federation of state employees under the
3 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
4 Funding is provided to add a longevity step. The agreement also
5 includes compensation equal to any compensation increase approved,
6 implemented, and funded by the state for general government classified
7 represented staff through the general service salary schedule.

8 NEW SECTION. **Sec. 922. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
9 **WASHINGTON UNIVERSITY--PSE**

10 An agreement has been reached between the Western Washington
11 University and the public schools employees under the provisions of
12 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
13 provided to add a longevity step. The agreement also includes
14 compensation equal to any compensation increase approved, implemented,
15 and funded by the state for general government classified represented
16 staff through the general service salary schedule.

17 NEW SECTION. **Sec. 923. COLLECTIVE BARGAINING AGREEMENT--EASTERN**
18 **WASHINGTON UNIVERSITY--WFSE**

19 An agreement has been reached between Eastern Washington University
20 and the Washington federation of state employees under the provisions
21 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
22 provided to add a longevity step. Funding is also provided for a one
23 percent salary increase for all bargaining unit members beginning July
24 1, 2013, and a one percent salary increase for all bargaining unit
25 members beginning July 1, 2014.

26 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
27 **WASHINGTON UNIVERSITY--WFSE**

28 An agreement has been reached between Central Washington University
29 and the Washington federation of state employees under the provisions
30 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
31 provided to add a longevity step and for a one percent salary increase
32 for all bargaining unit members beginning July 1, 2014. The agreement
33 also includes additional one-time payments each November of each fiscal
34 year for members continually employed during the preceding twelve

1 months in an amount up to three percent of member's gross wages
2 contingent on the university's achievement of the goals contained in
3 its student success incentive program.

4 NEW SECTION. **Sec. 925. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
5 **WASHINGTON UNIVERSITY--PSE**

6 An agreement has been reached between Central Washington University
7 and the public schools employees under the provisions of chapter 41.80
8 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a
9 longevity step. The agreement includes a one percent salary increase
10 for all bargaining unit members beginning July 1, 2014, and in the
11 event classified employees bargaining at the general government's
12 higher education tables receive a general wage increase greater than
13 one percent, salary ranges will increase by the higher amount. The
14 agreement also includes additional one-time payments each November each
15 fiscal year for members continually employed during the preceding
16 twelve months in an amount up to three percent of member's gross wages
17 contingent on the university's achievement of the goals contained in
18 its student success incentive program.

19 NEW SECTION. **Sec. 926. COLLECTIVE BARGAINING AGREEMENT--**
20 **UNIVERSITY OF WASHINGTON--WFSE**

21 An agreement has been reached between the University of Washington
22 and the Washington federation of state employees under the provisions
23 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
24 provided for additional premium pay, preceptor pay, and professional
25 development increases. Funding is also provided for a two percent wage
26 increase for all bargaining unit members beginning July 1, 2013, and a
27 two percent wage increase for all bargaining unit members beginning
28 July 1, 2014. The agreement also provides that if the university
29 agrees to across-the-board salary increases for any SEIU 925 bargaining
30 unit that are more favorable than those negotiated with WFSE, the
31 university will grant the same salary increase to WFSE-represented
32 employees.

33 NEW SECTION. **Sec. 927. COLLECTIVE BARGAINING AGREEMENT--**
34 **UNIVERSITY OF WASHINGTON--SEIU 925**

35 An agreement has been reached between the University of Washington

1 and the service employees Washington federation of state employees
2 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
3 biennium. Funding is provided for additional step increases, a two
4 percent salary increase for all bargaining unit members beginning July
5 1, 2013, and a two percent salary increase for all bargaining unit
6 members beginning July 1, 2014. The agreement also provides that if
7 the university agrees to across-the-board salary increases or general
8 increases for a SEIU 1199 or Washington state nurse association
9 bargaining unit that are more favorable than those negotiated with SEIU
10 925, the university will grant the same salary increase to SEIU
11 925-represented employees.

12 NEW SECTION. **Sec. 928. COLLECTIVE BARGAINING AGREEMENT--**
13 **UNIVERSITY OF WASHINGTON--TEAMSTERS 117 (UW POLICE OFFICERS)**

14 An agreement has been reached between the University of Washington
15 and the teamsters 117 under the provisions of chapter 41.80 RCW for the
16 2013-2015 fiscal biennium. Funding is provided for a two percent
17 salary increase for all bargaining unit members beginning July 1, 2013,
18 and a two percent salary increase for all bargaining unit members
19 beginning July 1, 2014.

20 NEW SECTION. **Sec. 929. COLLECTIVE BARGAINING AGREEMENT--**
21 **WASHINGTON STATE UNIVERSITY--WFSE**

22 An agreement has been reached between the Washington State
23 University and the Washington federation of state employees under the
24 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The
25 agreement provides that if a general salary increase, implementation of
26 a salary survey, or a longevity step (Step M) is approved and funded by
27 the state for university nonbargaining unit covered classified staff,
28 WFSE bargaining unit members will receive the same.

29 NEW SECTION. **Sec. 930. COLLECTIVE BARGAINING AGREEMENT--**
30 **WASHINGTON STATE UNIVERSITY--PSE**

31 An agreement has been reached between the Washington State
32 University and the public schools employees under the provisions of
33 chapter 41.80 RCW for the 2013-2015 fiscal biennium. The agreement
34 provides that the bargaining unit members have a "me-too" agreement
35 regarding cost of living increases with university classified staff

1 utilizing the general service higher education salary schedule should
2 the university request and receive funding to provide an across-the-
3 board salary increase for classified staff.

4 NEW SECTION. **Sec. 931. COLLECTIVE BARGAINING AGREEMENT--**
5 **WASHINGTON STATE UNIVERSITY--WSU POLICE GUILD**

6 An agreement has been reached between the Washington State
7 University and the WSU Police Guild under the provisions of chapter
8 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to
9 add a longevity step.

10 NEW SECTION. **Sec. 932. COMPENSATION--REPRESENTED EMPLOYEES--**
11 **SUPER COALITION--INSURANCE BENEFITS**

12 No agreement was reached between the governor and the health care
13 super coalition under the provisions of chapter 41.80 RCW for the
14 2013-2015 fiscal biennium. Appropriations in this act for state
15 agencies, including institutions of higher education are sufficient to
16 continue the provisions of the 2011-2013 collective bargaining
17 agreement, and are subject to the following conditions and limitations:

18 (1)(a) The monthly employer funding rate for insurance benefit
19 premiums, public employees' benefits board administration, and the
20 uniform medical plan, shall not exceed \$779 per eligible employee for
21 fiscal year 2014. For fiscal year 2015 the monthly employer funding
22 rate shall not exceed \$782 per eligible employee.

23 (b) In order to achieve the level of funding provided for health
24 benefits, the public employees' benefits board shall require or make
25 any or all of the following: Employee premium copayments, increases in
26 point-of-service cost sharing, the implementation of managed
27 competition, or other changes to benefits consistent with RCW
28 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
29 surcharge to the premiums due from members who use tobacco products.

30 (c) The health care authority shall deposit any moneys received on
31 behalf of the uniform medical plan as a result of rebates on
32 prescription drugs, audits of hospitals, subrogation payments, or any
33 other moneys recovered as a result of prior uniform medical plan claims
34 payments, into the public employees' and retirees' insurance account to
35 be used for insurance benefits. Such receipts shall not be used for
36 administrative expenditures.

1 (2) The health care authority, subject to the approval of the
2 public employees' benefits board, shall provide subsidies for health
3 benefit premiums to eligible retired or disabled public employees and
4 school district employees who are eligible for medicare, pursuant to
5 RCW 41.05.085.

6 (a) For calendar years 2014 and 2015, the subsidy shall be up to
7 \$150.00 per month for persons who retired with at least twenty years of
8 service and as of January 1, 2014, receive a monthly retirement
9 allowance that does not exceed eighty dollars per year of retirement
10 service credit.

11 (b) For persons who do not qualify for the subsidy provided in (a)
12 of this subsection, the subsidy for calendar year 2014 shall be up to
13 \$100.00 per month, and the subsidy for calendar year 2015 shall be up
14 to \$110.00 per month.

15 NEW SECTION. **Sec. 933. COMPENSATION--REPRESENTED EMPLOYEES**
16 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

17 Appropriations for state agencies in this act are sufficient for
18 represented employees outside the super coalition for health benefits,
19 and are subject to the following conditions and limitations:

20 (1)(a) The monthly employer funding rate for insurance benefit
21 premiums, public employees' benefits board administration, and the
22 uniform medical plan, shall not exceed \$779 per eligible employee for
23 fiscal year 2014. For fiscal year 2015 the monthly employer funding
24 rate shall not exceed \$782 per eligible employee.

25 (b) In order to achieve the level of funding provided for health
26 benefits, the public employees' benefits board shall require or make
27 any or all of the following: Employee premium copayments, increases in
28 point-of-service cost sharing, the implementation of managed
29 competition, or other changes to benefits consistent with RCW
30 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
31 surcharge to the premiums due from members who use tobacco products.

32 (c) The health care authority shall deposit any moneys received on
33 behalf of the uniform medical plan as a result of rebates on
34 prescription drugs, audits of hospitals, subrogation payments, or any
35 other moneys recovered as a result of prior uniform medical plan claims
36 payments, into the public employees' and retirees' insurance account to

1 be used for insurance benefits. Such receipts shall not be used for
2 administrative expenditures.

3 (2) The health care authority, subject to the approval of the
4 public employees' benefits board, shall provide subsidies for health
5 benefit premiums to eligible retired or disabled public employees and
6 school district employees who are eligible for medicare, pursuant to
7 RCW 41.05.085.

8 (a) For calendar years 2014 and 2015, the subsidy shall be up to
9 \$150.00 per month for persons who retired with at least twenty years of
10 service and as of January 1, 2014, receive a monthly retirement
11 allowance that does not exceed eighty dollars per year of retirement
12 service credit.

13 (b) For persons who do not qualify for the subsidy provided in (a)
14 of this subsection, the subsidy for calendar year 2014 shall be up to
15 \$100.00 per month, and the subsidy for calendar year 2015 shall be up
16 to \$110.00 per month.

17 NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENTS**

18 For collective bargaining agreements negotiated with the state for
19 the 2013-2015 fiscal biennium under chapter 41.80 RCW, the governor may
20 request funds to implement the terms and conditions of any agreement
21 negotiated by an institution of higher education and submitted to the
22 office of financial management after October 1, 2012, but before
23 December 20, 2012, if that agreement is determined to be financially
24 feasible to the state by the director of financial management.

25 NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT FOR**
26 **NONSTATE EMPLOYEES--LANGUAGE ACCESS PROVIDERS WFSE**

27 An agreement has been reached between the governor and the
28 Washington federation of state employees for the language access
29 providers under the provisions of chapter 41.56 RCW for the 2013-2015
30 fiscal biennium. Funding is provided for a rate increase of 50 cents
31 per hour effective July 1, 2013, and rate increase of 50 cents per hour
32 effective July 1, 2014. Funding is also provided to accommodate a
33 change to the no-show payment rules.

34 NEW SECTION. **Sec. 936. COLLECTIVE BARGAINING AGREEMENT FOR**
35 **NONSTATE EMPLOYEES--SEIU HEALTHCARE 775NW HOMECARE WORKERS**

1 An agreement has been reached between the governor and the service
2 employees international union healthcare 775nw through an interest
3 arbitration decision under the provisions of chapter 74.39A and 41.56
4 RCW for the 2013-2015 fiscal biennium. Funding is provided for
5 increases to wages and pay differentials, mileage allowance, and
6 healthcare contributions. Funding is also provided for a paid holiday
7 and payment of certification and testing fees.

8 NEW SECTION. **Sec. 937. COLLECTIVE BARGAINING AGREEMENT FOR**
9 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

10 An agreement has been reached between the governor and the service
11 employees international union local 925 under the provisions of chapter
12 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for
13 increases to health care, scholarship funding and non-standard hours
14 bonus.

15 NEW SECTION. **Sec. 938. COLLECTIVE BARGAINING AGREEMENT FOR**
16 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

17 An agreement has been reached between the governor and the
18 Washington state residential care council under the provisions of
19 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is
20 provided for a specialty adult family home contract for community
21 placement of clients currently in western state hospital and an
22 increase in the daily bed hold rate (days eight through twenty).

23 NEW SECTION. **Sec. 939. COMPENSATION--NONREPRESENTED EMPLOYEES--**
24 **INSURANCE BENEFITS**

25 Appropriations for state agencies in this act are sufficient for
26 nonrepresented state employee health benefits for state agencies,
27 including institutions of higher education, and are subject to the
28 following conditions and limitations:

29 (1)(a) The monthly employer funding rate for insurance benefit
30 premiums, public employees' benefits board administration, and the
31 uniform medical plan, shall not exceed \$779 per eligible employee for
32 fiscal year 2014. For fiscal year 2015 the monthly employer funding
33 rate shall not exceed \$782 per eligible employee.

34 (b) In order to achieve the level of funding provided for health
35 benefits, the public employees' benefits board shall require or make

1 any or all of the following: Employee premium copayments, increases in
2 point-of-service cost sharing, the implementation of managed
3 competition, or other changes to benefits consistent with RCW
4 41.05.065. Beginning January 1, 2014, the board shall add a \$25 per
5 month surcharge to the premiums due from members who use tobacco
6 products.

7 (c) The health care authority shall deposit any moneys received on
8 behalf of the uniform medical plan as a result of rebates on
9 prescription drugs, audits of hospitals, subrogation payments, or any
10 other moneys recovered as a result of prior uniform medical plan claims
11 payments, into the public employees' and retirees' insurance account to
12 be used for insurance benefits. Such receipts shall not be used for
13 administrative expenditures.

14 (2) The health care authority, subject to the approval of the
15 public employees' benefits board, shall provide subsidies for health
16 benefit premiums to eligible retired or disabled public employees and
17 school district employees who are eligible for medicare, pursuant to
18 RCW 41.05.085.

19 (a) For calendar years 2014 and 2015, the subsidy shall be up to
20 \$150.00 per month for persons who retired with at least twenty years of
21 service and as of January 1, 2014, receive a monthly retirement
22 allowance that does not exceed eighty dollars per year of retirement
23 service credit.

24 (b) For persons who do not qualify for the subsidy provided in (a)
25 of this subsection, the subsidy for calendar year 2014 shall be up to
26 \$100.00 per month, and the subsidy for calendar year 2015 shall be up
27 to \$110.00 per month.

28 (3) Technical colleges, school districts, and educational service
29 districts shall remit to the health care authority for deposit into the
30 public employees' and retirees' insurance account established in RCW
31 41.05.120 the following amounts:

32 (a) For each full-time employee, \$60.17 per month beginning
33 September 1, 2013, and \$61.00 beginning September 1, 2014; and

34 (b) For each part-time employee, who at the time of the remittance
35 is employed in an eligible position as defined in RCW 41.32.010 or
36 41.40.010 and is eligible for employer fringe benefit contributions for
37 basic benefits, \$60.17 each month beginning September 1, 2013, and
38 \$61.00 beginning September 1, 2014, prorated by the proportion of

1 employer fringe benefit contributions for a full-time employee that the
2 part-time employee receives. The remittance requirements specified in
3 this subsection (3) shall not apply to employees of a technical
4 college, school district, or educational service district who purchase
5 insurance benefits through contracts with the health care authority.

6 NEW SECTION. **Sec. 940. COMPENSATION--REVISE PENSION CONTRIBUTION**
7 **RATES**

8 The appropriations for school districts and state agencies,
9 including institutions of higher education are subject to the following
10 conditions and limitations: Appropriations are adjusted to reflect
11 changes to agency appropriations to reflect pension contribution rates
12 adopted by the pension funding council and the law enforcement
13 officers' and firefighters' retirement system plan 2 board.

14 NEW SECTION. **Sec. 941. NONREPRESENTED EMPLOYEE LONGEVITY STEP**

15 For classified state employees, except those within the Washington
16 management service and except those represented by a bargaining unit
17 under chapters 41.80, 41.56, or 47.64 RCW, funding is provided within
18 agency appropriations for implementation of a longevity step, in
19 accordance with rules adopted under RCW 41.06.133.

20 NEW SECTION. **Sec. 942. COMPENSATION--CONTINGENT INCREASE IN**
21 **SALARIES AND WAGES**

22 (1) If the director of the office of financial management
23 determines that the February 2014 economic and revenue forecast council
24 forecast for general fund--state revenues for fiscal year 2015 is
25 \$200,000,000 or more than the September 2012 economic and revenue
26 forecast council forecast for general fund--state revenues for fiscal
27 year 2015 as a result of increased economic activity, effective July 1,
28 2014, appropriations to state agencies will increase in the amounts
29 specified in OFM Document 2013-01 to fund a one percent salary increase
30 effective July 1, 2014, through June 30, 2015, for the following state
31 employees:

- 32 (a) All classified employees;
- 33 (b) Employees in the Washington management service;
- 34 (c) Except as provided in subsection (2) of this section, employees
35 exempt from merit system rules in the executive and judicial branches;

1 (d) Employees of the marine division of the department of
2 transportation represented by the office and professional employees
3 international union local eight and service employees international
4 union local six.

5 (2) The salary increase in this section is not provided to the
6 following state employees:

7 (a) Commissioned officers of the Washington state patrol
8 represented by the Washington state patrol troopers association and the
9 Washington state patrol lieutenants association;

10 (b) Employees of the marine division of the department of
11 transportation represented by:

12 (i) The ferry agents, supervisors, project administrators
13 association;

14 (ii) The Pacific northwest regional council of carpenters;

15 (iii) The Puget Sound metal trades council;

16 (iv) The marine engineers' beneficial association unlicensed engine
17 room employees;

18 (v) The marine engineers' beneficial association licensed engineer
19 officers;

20 (vi) The masters, mates and pilots - mates;

21 (vii) The masters, mates and pilots - masters;

22 (viii) The masters, mates and pilots - watch supervisors; and

23 (ix) The inlandboatmen's union of the pacific.

24 (c) Employees whose maximum salaries are set by the commission on
25 salaries for elected officials;

26 (d) Employees of the legislative branch; and

27 (e) Faculty employees and employees exempt from merit system rules
28 at institutions of higher education.

29 (3) For purposes of this section, "increased economic activity"
30 means additional revenue derived from taxable business and consumer
31 activity and does not include revenue changes from changes in state or
32 federal law or revenue changes characterized by the economic and
33 revenue forecast council as a noneconomic change.

34 NEW SECTION. **Sec. 943. ACQUISITION OF INFORMATION TECHNOLOGY**
35 **PROJECTS THROUGH FINANCIAL CONTRACTS**

36 (1) Financial contracts for the acquisition of the information
37 technology projects authorized in this section must be approved jointly

1 by the office of the financial management and the office of the chief
2 information officer. Information technology projects funded under this
3 section shall meet the following requirements:

4 (a) The project reduces costs and achieves economies of scale by
5 leveraging statewide investments in systems and data and other common
6 or enterprise-wide solutions within and across state agencies;

7 (b) The project begins or continues replacement of legacy
8 information technology systems and replacing these systems with modern
9 and more efficient information technology systems;

10 (c) The project improves the ability of an agency to recover from
11 major disaster;

12 (d) The project provides future savings and efficiencies for an
13 agency through reduced operating costs, improved customer service, or
14 increased revenue collections; and

15 (e) Preference for project approval must be given to an agency that
16 has prior approval from the office of the chief information officer, an
17 approved business plan, and where the primary hurdle to project funding
18 is the lack of funding capacity.

19 (2) The following state agencies may enter into financial contracts
20 to finance expenditures for the acquisition and implementation of the
21 following information technology projects for up to the respective
22 amounts indicated, plus financing expenses and required reserves
23 pursuant to chapter 39.94 RCW:

24 (a) \$994,000 for the department of revenue agency security program
25 improvement;

26 (b) \$50,000,000 for the department of revenue legacy system
27 migration project;

28 (c) \$8,000,000 for the department of revenue to implement phase one
29 of "My Account";

30 (d) Subject to subsection (4) of this section, \$10,000,000 for the
31 department of enterprise services time, leave, and attendance pilot
32 project;

33 (e) \$3,867,000 for the Washington state patrol for continuation of
34 the mobile office platform;

35 (f) \$8,500,000 for the department of social and health services
36 conversion to the tenth version of the world health organization's
37 international classification of diseases; and

1 (g) \$6,729,000 for the department of early learning system
2 implementation of electronic benefit transfers.

3 (3) The office of financial management with assistance from the
4 office of the chief information officer will report to the governor and
5 fiscal committees of the legislature by November 1st of each year on
6 the status of distributions and expenditures on information technology
7 projects and improved statewide or agency performance results achieved
8 by project funding.

9 (4) If the Washington state department of transportation enters
10 into financial contracts pursuant to chapter 39.94 RCW for the
11 acquisition and implementation of a time, leave, and labor distribution
12 system, the authorization provided to the department of enterprise
13 services in subsection (2)(e) of this section expires.

14 **Sec. 944.** RCW 2.68.020 and 2012 2nd sp.s. c 7 s 913 are each
15 amended to read as follows:

16 There is created an account in the custody of the state treasurer
17 to be known as the judicial information system account. The
18 administrative office of the courts shall maintain and administer the
19 account, in which shall be deposited all moneys received from in-state
20 noncourt users and any out-of-state users of the judicial information
21 system and moneys as specified in RCW 2.68.040 for the purposes of
22 providing judicial information system access to noncourt users and
23 providing an adequate level of automated services to the judiciary.
24 The legislature shall appropriate the funds in the account for the
25 purposes of the judicial information system. The account shall be used
26 for the acquisition of equipment, software, supplies, services, and
27 other costs incidental to the acquisition, development, operation, and
28 administration of information services, telecommunications, systems,
29 software, supplies, and equipment, including the payment of principal
30 and interest on items paid in installments. During the 2011-2013
31 fiscal biennium, the judicial information system(~~s~~~~ystem~~) account
32 may be appropriated to support the state law library. During the 2013-
33 2015 fiscal biennium, the judicial information system account may be
34 appropriated to support the information systems and other activities in
35 the administrative office of the courts.

1 **Sec. 945.** RCW 13.40.466 and 2006 c 304 s 4 are each amended to
2 read as follows:

3 (1) The reinvesting in youth account is created in the state
4 treasury. Moneys in the account shall be spent only after
5 appropriation. Expenditures from the account may be used to reimburse
6 local governments for the implementation of the reinvesting in youth
7 program established in RCW 13.40.462 and 13.40.464. During the
8 2013-2015 fiscal biennium, the legislature may appropriate moneys from
9 the reinvesting in youth account for juvenile rehabilitation purposes.

10 (2) Revenues to the reinvesting in youth account consist of
11 revenues appropriated to or deposited in the account.

12 (3) The department of social and health services juvenile
13 rehabilitation administration shall review and monitor the expenditures
14 made by any county or group of counties that is funded, in whole or in
15 part, with funds provided through the reinvesting in youth account.
16 Counties shall repay any funds that are not spent in accordance with
17 RCW 13.40.462 and 13.40.464.

18 **Sec. 946.** RCW 18.04.105 and 2004 c 159 s 2 are each amended to
19 read as follows:

20 (1) A license to practice public accounting shall be granted by the
21 board to any person:

22 (a) Who is of good character. Good character, for purposes of this
23 section, means lack of a history of dishonest or felonious acts. The
24 board may refuse to grant a license on the ground of failure to satisfy
25 this requirement only if there is a substantial connection between the
26 lack of good character of the applicant and the professional and
27 ethical responsibilities of a licensee and if the finding by the board
28 of lack of good character is supported by a preponderance of evidence.
29 When an applicant is found to be unqualified for a license because of
30 a lack of good character, the board shall furnish the applicant a
31 statement containing the findings of the board and a notice of the
32 applicant's right of appeal;

33 (b) Who has met the educational standards established by rule as
34 the board determines to be appropriate;

35 (c) Who has passed an examination;

36 (d) Who has had one year of experience which is gained:

1 (i) Through the use of accounting, issuing reports on financial
2 statements, management advisory, financial advisory, tax, tax advisory,
3 or consulting skills;

4 (ii) While employed in government, industry, academia, or public
5 practice; and

6 (iii) Meeting the competency requirements in a manner as determined
7 by the board to be appropriate and established by board rule; and

8 (e) Who has paid appropriate fees as established by rule by the
9 board.

10 (2) The examination described in subsection (1)(c) of this section
11 shall test the applicant's knowledge of the subjects of accounting and
12 auditing, and other related fields the board may specify by rule. The
13 time for holding the examination is fixed by the board and may be
14 changed from time to time. The board shall prescribe by rule the
15 methods of applying for and taking the examination, including methods
16 for grading examinations and determining a passing grade required of an
17 applicant for a license. The board shall to the extent possible see to
18 it that the grading of the examination, and the passing grades, are
19 uniform with those applicable to all other states. The board may make
20 use of all or a part of the uniform certified public accountant
21 examination and advisory grading service of the American Institute of
22 Certified Public Accountants and may contract with third parties to
23 perform administrative services with respect to the examination as the
24 board deems appropriate to assist it in performing its duties under
25 this chapter. The board shall establish by rule provisions for
26 transitioning to a new examination structure or to a new media for
27 administering the examination.

28 (3) The board shall charge each applicant an examination fee for
29 the initial examination or for reexamination. The applicable fee shall
30 be paid by the person at the time he or she applies for examination,
31 reexamination, or evaluation of educational qualifications. Fees for
32 examination, reexamination, or evaluation of educational qualifications
33 shall be determined by the board under chapter 18.04 RCW. There is
34 established in the state treasury an account to be known as the
35 certified public accountants' account. All fees received from
36 candidates to take any or all sections of the certified public
37 accountant examination shall be used only for costs related to the

1 examination. During the 2013-2015 fiscal biennium, the legislature may
2 transfer to the state general fund such amounts as reflect the excess
3 fund balance in the account.

4 (4) Persons who on June 30, 2001, held valid certificates
5 previously issued under this chapter shall be deemed to be certificate
6 holders, subject to the following:

7 (a) Certificate holders may, prior to June 30, 2006, petition the
8 board to become licensees by documenting to the board that they have
9 gained one year of experience through the use of accounting, issuing
10 reports on financial statements, management advisory, financial
11 advisory, tax, tax advisory, or consulting skills, without regard to
12 the eight-year limitation set forth in (b) of this subsection, while
13 employed in government, industry, academia, or public practice.

14 (b) Certificate holders who do not petition to become licensees
15 prior to June 30, 2006, may after that date petition the board to
16 become licensees by documenting to the board that they have one year of
17 experience acquired within eight years prior to applying for a license
18 through the use of accounting, issuing reports on financial statements,
19 management advisory, financial advisory, tax, tax advisory, or
20 consulting skills in government, industry, academia, or public
21 practice.

22 (c) Certificate holders who petition the board pursuant to (a) or
23 (b) of this subsection must also meet competency requirements in a
24 manner as determined by the board to be appropriate and established by
25 board rule.

26 (d) Any certificate holder petitioning the board pursuant to (a) or
27 (b) of this subsection to become a licensee must submit to the board
28 satisfactory proof of having completed an accumulation of one hundred
29 twenty hours of CPE during the thirty-six months preceding the date of
30 filing the petition.

31 (e) Any certificate holder petitioning the board pursuant to (a) or
32 (b) of this subsection to become a licensee must pay the appropriate
33 fees established by rule by the board.

34 (5) Certificate holders shall comply with the prohibition against
35 the practice of public accounting in RCW 18.04.345.

36 (6) Persons who on June 30, 2001, held valid certificates
37 previously issued under this chapter are deemed to hold inactive
38 certificates, subject to renewal as inactive certificates, until they

1 have petitioned the board to become licensees and have met the
2 requirements of subsection (4) of this section. No individual who did
3 not hold a valid certificate before July 1, 2001, is eligible to obtain
4 an inactive certificate.

5 (7) Persons deemed to hold inactive certificates under subsection
6 (6) of this section shall comply with the prohibition against the
7 practice of public accounting in subsection (8)(b) of this section and
8 RCW 18.04.345, but are not required to display the term inactive as
9 part of their title, as required by subsection (8)(a) of this section
10 until renewal. Certificates renewed to any persons after June 30,
11 2001, are inactive certificates and the inactive certificate holders
12 are subject to the requirements of subsection (8) of this section.

13 (8) Persons holding an inactive certificate:

14 (a) Must use or attach the term "inactive" whenever using the title
15 CPA or certified public accountant or referring to the certificate, and
16 print the word "inactive" immediately following the title, whenever the
17 title is printed on a business card, letterhead, or any other document,
18 including documents published or transmitted through electronic media,
19 in the same font and font size as the title; and

20 (b) Are prohibited from practicing public accounting.

21 **Sec. 947.** RCW 18.43.150 and 1991 c 277 s 2 are each amended to
22 read as follows:

23 All fees collected under the provisions of RCW 18.43.050,
24 18.43.060, 18.43.080, 18.43.100, and 18.43.130 and fines collected
25 under RCW 18.43.110 shall be paid into the professional engineers'
26 account, which account is hereby established in the state treasury to
27 be used to carry out the purposes and provisions of RCW 18.43.050,
28 18.43.060, 18.43.080, 18.43.100, 18.43.110, 18.43.120, 18.43.130(~~18.43.140~~),
29 and all other duties required for operation and
30 enforcement of this chapter. During the 2013-2015 fiscal biennium, the
31 legislature may transfer moneys from the professional engineers'
32 account to the state general fund such amounts as reflect the excess
33 fund balance of the fund.

34 **Sec. 948.** RCW 18.71.315 and 1998 c 132 s 12 are each amended to
35 read as follows:

36 The impaired physician account is created in the custody of the

1 state treasurer. All receipts from RCW 18.71.310 from license
2 surcharges on physicians and physician assistants shall be deposited
3 into the account. Expenditures from the account may only be used for
4 the impaired physician program under this chapter. Only the secretary
5 of health or the secretary's designee may authorize expenditures from
6 the account. No appropriation is required for expenditures from this
7 account. For the 2013-2015 fiscal biennium, the moneys in the account
8 may be spent on mental health treatment to nonmedicaid persons.

9 **Sec. 949.** RCW 18.85.061 and 2008 c 23 s 29 are each amended to
10 read as follows:

11 All fees required under this chapter shall be set by the director
12 in accordance with RCW 43.24.086 and shall be paid to the state
13 treasurer. All fees paid under the provisions of this chapter shall be
14 placed in the real estate commission account in the state treasury.
15 All money derived from fines imposed under this chapter shall be
16 deposited in the real estate education program account created in RCW
17 18.85.321. During the 2013-2015 fiscal biennium, the legislature may
18 transfer to the state general fund such amounts as reflect the excess
19 fund balance in the real estate commission account.

20 **Sec. 950.** RCW 19.28.351 and 2003 1st sp.s. c 25 s 910 are each
21 amended to read as follows:

22 All sums received from licenses, permit fees, or other sources,
23 herein shall be paid to the state treasurer and placed in a special
24 fund designated as the "electrical license fund," and paid out upon
25 vouchers duly and regularly issued therefor and approved by the
26 director of labor and industries or the director's designee following
27 determination by the board that the sums are necessary to accomplish
28 the intent of chapter 19.28 RCW. The treasurer shall keep an accurate
29 record of payments into, or receipts of, the fund, and of all
30 disbursements therefrom.

31 During the ((2003-2005)) 2013-2015 biennium, the legislature may
32 transfer moneys from the electrical license fund to the state general
33 fund such amounts as reflect the excess fund balance of the fund.

34 **Sec. 951.** RCW 28B.15.069 and 2012 c 229 s 701 are each amended to
35 read as follows:

1 (1) The building fee for each academic year shall be a percentage
2 of total tuition fees. This percentage shall be calculated by the
3 office of financial management and be based on the actual percentage
4 the building fee is of total tuition for each tuition category in the
5 1994-95 academic year, rounded up to the nearest half percent.

6 (2) The governing boards of each institution of higher education,
7 except for the technical colleges, shall charge to and collect from
8 each student a services and activities fee. A governing board may
9 increase the existing fee annually, consistent with budgeting
10 procedures set forth in RCW 28B.15.045, by a percentage not to exceed
11 the annual percentage increase in student tuition fees for resident
12 undergraduate students: PROVIDED, That such percentage increase shall
13 not apply to that portion of the services and activities fee previously
14 committed to the repayment of bonded debt. These rate adjustments may
15 exceed the fiscal growth factor. (~~For the 2003-04 academic year, the~~
16 ~~services and activities fee shall be based upon the resident~~
17 ~~undergraduate services and activities fee in 2002-03)) For the 2013-
18 2015 fiscal biennium, each governing board is authorized to increase
19 the services and activities fees by amounts judged reasonable and
20 necessary by the services and activities fee committee and the
21 governing board consistent with the budgeting procedures set forth in
22 RCW 28B.15.045. The services and activities fee committee provided for
23 in RCW 28B.15.045 may initiate a request to the governing board for a
24 fee increase.~~

25 (3) Tuition and services and activities fees consistent with
26 subsection (2) of this section shall be set by the state board for
27 community and technical colleges for community college summer school
28 students unless the community college charges fees in accordance with
29 RCW 28B.15.515.

30 (4) Subject to the limitations of RCW 28B.15.910, each governing
31 board of a community college may charge such fees for ungraded courses,
32 noncredit courses, community services courses, and self-supporting
33 courses as it, in its discretion, may determine, consistent with the
34 rules of the state board for community and technical colleges.

35 (5) The governing board of a college offering an applied
36 baccalaureate degree program under RCW 28B.50.810 may charge tuition
37 fees for those courses above the associate degree level at rates

1 consistent with rules adopted by the state board for community and
2 technical colleges, not to exceed tuition fee rates at the regional
3 universities.

4 **Sec. 952.** RCW 28B.67.030 and 2012 c 46 s 2 are each amended to
5 read as follows:

6 (1) All payments received from a participant in the Washington
7 customized employment training program created in RCW 28B.67.020 must
8 be deposited into the employment training finance account, which is
9 hereby created in the custody of the state treasurer. Only the state
10 board for community and technical colleges may authorize expenditures
11 from the account and no appropriation is required for expenditures.
12 The money in the account must be used solely for training allowances
13 under the Washington customized employment training program created in
14 RCW 28B.67.020 and for providing up to seventy-five thousand dollars
15 per year for training, marketing, and facilitation services to increase
16 the use of the program. The deposit of payments under this section
17 from a participant ceases when the board specifies that the participant
18 has met the monetary obligations of the program. During the ((2007-
19 2009)) 2013-2015 fiscal biennium, the legislature may transfer from the
20 employment training finance account to the state general fund such
21 amounts as reflect the excess fund balance in the account.

22 (2) All revenue solicited and received under the provisions of RCW
23 28B.67.020(4) must be deposited into the employment training finance
24 account to provide training allowances.

25 (3) The definitions in RCW 28B.67.010 apply to this section.

26 (4) This section expires July 1, 2017.

27 **Sec. 953.** RCW 28B.105.110 and 2011 1st sp.s. c 11 s 188 are each
28 amended to read as follows:

29 (1) The GET ready for math and science scholarship account is
30 created in the custody of the state treasurer.

31 (2) The office shall deposit into the account all money received
32 for the GET ready for math and science scholarship program from
33 appropriations and private sources. The account shall be
34 self-sustaining.

35 (3) Expenditures from the account shall be used for scholarships to
36 eligible students and for purchases of GET units. Purchased GET units

1 shall be owned and held in trust by the office. Expenditures from the
2 account shall be an equal match of state appropriations and private
3 funds raised by the program administrator. During the 2009-2011 fiscal
4 biennium, expenditures from the account not to exceed five percent may
5 be used by the program administrator to carry out the provisions of RCW
6 28B.105.090.

7 (4) With the exception of the operating costs associated with the
8 management of the account by the treasurer's office as authorized in
9 chapter 43.79A RCW, the account shall be credited with all investment
10 income earned by the account.

11 (5) Disbursements from the account are exempt from appropriations
12 and the allotment provisions of chapter 43.88 RCW.

13 (6) Disbursements from the account shall be made only on the
14 authorization of the office.

15 (7) During the (~~2009-2011~~) 2013-2015 fiscal biennium, (~~the~~
16 ~~legislature may transfer from~~) funds available in the GET ready for
17 math and science scholarship account and GET units owned by the office
18 and not used for the GET ready for math and science scholarship
19 (~~account to the state general fund such amounts as have not been~~
20 ~~donated from or matched by private contributions~~) program may be used
21 for the college bound scholarship program created in chapter 28B.118
22 RCW.

23 **Sec. 954.** RCW 28C.04.535 and 2011 1st sp.s. c 50 s 930 are each
24 amended to read as follows:

25 Except for the (~~2011-12 and 2012-13~~) 2013-14 and 2014-15 school
26 years, the Washington award for vocational excellence shall be granted
27 annually. The workforce training and education coordinating board
28 shall notify the students receiving the award, their vocational
29 instructors, local chambers of commerce, the legislators of their
30 respective districts, and the governor, after final selections have
31 been made. The workforce training and education coordinating board, in
32 conjunction with the governor's office, shall prepare appropriate
33 certificates to be presented to the selected students. Awards shall be
34 presented in public ceremonies at times and places determined by the
35 workforce training and education coordinating board in cooperation with
36 the office of the governor.

1 **Sec. 955.** RCW 28C.10.082 and 1991 sp.s. c 13 s 85 are each amended
2 to read as follows:

3 The tuition recovery trust fund is hereby established in the
4 custody of the state treasurer. The agency shall deposit in the fund
5 all moneys received under RCW 28C.10.084. Moneys in the fund may be
6 spent only for the purposes under RCW 28C.10.084. Disbursements from
7 the fund shall be on authorization of the agency. During the 2013-2015
8 fiscal biennium, the legislature may transfer from the tuition recovery
9 trust fund to the state general fund such amounts as reflect the excess
10 fund balance in the fund. The fund is subject to the allotment
11 procedure provided under chapter 43.88 RCW, but no appropriation is
12 required for disbursements.

13 **Sec. 956.** RCW 38.52.540 and 2012 2nd sp.s. c 7 s 915 are each
14 amended to read as follows:

15 (1) The enhanced 911 account is created in the state treasury. All
16 receipts from the state enhanced 911 excise taxes imposed by RCW
17 82.14B.030 must be deposited into the account. Moneys in the account
18 must be used only to support the statewide coordination and management
19 of the enhanced 911 system, for the implementation of wireless enhanced
20 911 statewide, for the modernization of enhanced 911 emergency
21 communications systems statewide, and to help supplement, within
22 available funds, the operational costs of the system, including
23 adequate funding of counties to enable implementation of wireless
24 enhanced 911 service and reimbursement of radio communications service
25 companies for costs incurred in providing wireless enhanced 911 service
26 pursuant to negotiated contracts between the counties or their agents
27 and the radio communications service companies. For the 2011-2013
28 fiscal biennium, the account may be used for modernizing narrowband
29 radio capability in the department of corrections. For the 2013-2015
30 fiscal biennium, the account may be used for a criminal history system
31 upgrade in the Washington state patrol and for activities and programs
32 in the military department. A county must show just cause, including
33 but not limited to a true and accurate accounting of the funds
34 expended, for any inability to provide reimbursement to radio
35 communications service companies of costs incurred in providing
36 enhanced 911 service.

1 (2) Funds generated by the enhanced 911 excise tax imposed by RCW
2 82.14B.030(5) may not be distributed to any county that has not imposed
3 the maximum county enhanced 911 excise tax allowed under RCW
4 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed
5 by RCW 82.14B.030(6) may not be distributed to any county that has not
6 imposed the maximum county enhanced 911 excise tax allowed under RCW
7 82.14B.030(2).

8 (3) The state enhanced 911 coordinator, with the advice and
9 assistance of the enhanced 911 advisory committee, is authorized to
10 enter into statewide agreements to improve the efficiency of enhanced
11 911 services for all counties and shall specify by rule the additional
12 purposes for which moneys, if available, may be expended from this
13 account.

14 **Sec. 957.** RCW 41.26.802 and 2008 c 99 s 4 are each amended to read
15 as follows:

16 (1) By September 30, 2011, if the prior fiscal biennium's general
17 state revenues exceed the previous fiscal biennium's revenues by more
18 than five percent, subject to appropriation by the legislature, the
19 state treasurer shall transfer five million dollars to the local public
20 safety enhancement account.

21 ~~(2) ((By September 30, 2013, if the prior fiscal biennium's general~~
22 ~~state revenues exceed the previous fiscal biennium's revenues by more~~
23 ~~than five percent, subject to appropriation by the legislature, the~~
24 ~~state treasurer shall transfer ten million dollars to the local public~~
25 ~~safety enhancement account.~~

26 (+3)) By September 30, 2015, if the prior fiscal biennium's general
27 state revenues exceed the previous fiscal biennium's revenues by more
28 than five percent, subject to appropriation by the legislature, the
29 state treasurer shall transfer twenty million dollars to the local
30 public safety enhancement account.

31 (4) By September 30, 2017, and by September 30 of each odd-numbered
32 year thereafter, if the prior fiscal biennium's general state revenues
33 exceed the previous fiscal biennium's revenues by more than five
34 percent, subject to appropriation by the legislature, the state
35 treasurer shall transfer the lesser of one-third of the increase, or
36 fifty million dollars, to the local public safety enhancement account.

1 **Sec. 958.** RCW 41.60.050 and 2011 1st sp.s. c 50 s 937 and 2011 1st
2 sp.s. c 43 s 473 are each reenacted and amended to read as follows:

3 The legislature shall appropriate from the personnel service fund
4 for the payment of administrative costs of the productivity board.
5 However, during the 2011-2013 and 2013-2015 fiscal (~~biennium~~)
6 biennia, the operations of the productivity board shall be suspended.

7 **Sec. 959.** RCW 41.80.010 and 2011 1st sp.s. c 50 s 938 and 2011 c
8 344 s 1 are each reenacted and amended to read as follows:

9 (1) For the purpose of negotiating collective bargaining agreements
10 under this chapter, the employer shall be represented by the governor
11 or governor's designee, except as provided for institutions of higher
12 education in subsection (4) of this section.

13 (2)(a) If an exclusive bargaining representative represents more
14 than one bargaining unit, the exclusive bargaining representative shall
15 negotiate with each employer representative as designated in subsection
16 (1) of this section one master collective bargaining agreement on
17 behalf of all the employees in bargaining units that the exclusive
18 bargaining representative represents. For those exclusive bargaining
19 representatives who represent fewer than a total of five hundred
20 employees each, negotiation shall be by a coalition of all those
21 exclusive bargaining representatives. The coalition shall bargain for
22 a master collective bargaining agreement covering all of the employees
23 represented by the coalition. The governor's designee and the
24 exclusive bargaining representative or representatives are authorized
25 to enter into supplemental bargaining of agency-specific issues for
26 inclusion in or as an addendum to the master collective bargaining
27 agreement, subject to the parties' agreement regarding the issues and
28 procedures for supplemental bargaining. This section does not prohibit
29 cooperation and coordination of bargaining between two or more
30 exclusive bargaining representatives.

31 (b) This subsection (2) does not apply to exclusive bargaining
32 representatives who represent employees of institutions of higher
33 education, except when the institution of higher education has elected
34 to exercise its option under subsection (4) of this section to have its
35 negotiations conducted by the governor or governor's designee under the
36 procedures provided for general government agencies in subsections (1)
37 through (3) of this section.

1 (c) If five hundred or more employees of an independent state
2 elected official listed in RCW 43.01.010 are organized in a bargaining
3 unit or bargaining units under RCW 41.80.070, the official shall be
4 consulted by the governor or the governor's designee before any
5 agreement is reached under (a) of this subsection concerning
6 supplemental bargaining of agency specific issues affecting the
7 employees in such bargaining unit.

8 (3) The governor shall submit a request for funds necessary to
9 implement the compensation and fringe benefit provisions in the master
10 collective bargaining agreement or for legislation necessary to
11 implement the agreement. Requests for funds necessary to implement the
12 provisions of bargaining agreements shall not be submitted to the
13 legislature by the governor unless such requests:

14 (a) Have been submitted to the director of the office of financial
15 management by October 1 prior to the legislative session at which the
16 requests are to be considered; and

17 (b) Have been certified by the director of the office of financial
18 management as being feasible financially for the state.

19 The legislature shall approve or reject the submission of the
20 request for funds as a whole. The legislature shall not consider a
21 request for funds to implement a collective bargaining agreement unless
22 the request is transmitted to the legislature as part of the governor's
23 budget document submitted under RCW 43.88.030 and 43.88.060. If the
24 legislature rejects or fails to act on the submission, either party may
25 reopen all or part of the agreement or the exclusive bargaining
26 representative may seek to implement the procedures provided for in RCW
27 41.80.090.

28 (4)(a)(i) For the purpose of negotiating agreements for
29 institutions of higher education, the employer shall be the respective
30 governing board of each of the universities, colleges, or community
31 colleges or a designee chosen by the board to negotiate on its behalf.

32 (ii) A governing board of a university or college may elect to have
33 its negotiations conducted by the governor or governor's designee under
34 the procedures provided for general government agencies in subsections
35 (1) through (3) of this section, except that:

36 (A) The governor or the governor's designee and an exclusive
37 bargaining representative shall negotiate one master collective

1 bargaining agreement for all of the bargaining units of employees of a
2 university or college that the representative represents; or

3 (B) If the parties mutually agree, the governor or the governor's
4 designee and an exclusive bargaining representative shall negotiate one
5 master collective bargaining agreement for all of the bargaining units
6 of employees of more than one university or college that the
7 representative represents.

8 (iii) A governing board of a community college may elect to have
9 its negotiations conducted by the governor or governor's designee under
10 the procedures provided for general government agencies in subsections
11 (1) through (3) of this section.

12 (b) Prior to entering into negotiations under this chapter, the
13 institutions of higher education or their designees shall consult with
14 the director of the office of financial management regarding financial
15 and budgetary issues that are likely to arise in the impending
16 negotiations.

17 (c)(i) In the case of bargaining agreements reached between
18 institutions of higher education other than the University of
19 Washington and exclusive bargaining representatives agreed to under the
20 provisions of this chapter, if appropriations are necessary to
21 implement the compensation and fringe benefit provisions of the
22 bargaining agreements, the governor shall submit a request for such
23 funds to the legislature according to the provisions of subsection (3)
24 of this section, except as provided in (c)(iii) of this subsection.

25 (ii) In the case of bargaining agreements reached between the
26 University of Washington and exclusive bargaining representatives
27 agreed to under the provisions of this chapter, if appropriations are
28 necessary to implement the compensation and fringe benefit provisions
29 of a bargaining agreement, the governor shall submit a request for such
30 funds to the legislature according to the provisions of subsection (3)
31 of this section, except as provided in this subsection (4)(c)(ii) and
32 as provided in (c)(iii) of this subsection.

33 (A) If appropriations of less than ten thousand dollars are
34 necessary to implement the provisions of a bargaining agreement, a
35 request for such funds shall not be submitted to the legislature by the
36 governor unless the request has been submitted to the director of the
37 office of financial management by October 1 prior to the legislative
38 session at which the request is to be considered.

1 (B) If appropriations of ten thousand dollars or more are necessary
2 to implement the provisions of a bargaining agreement, a request for
3 such funds shall not be submitted to the legislature by the governor
4 unless the request:

5 (I) Has been submitted to the director of the office of financial
6 management by October 1 prior to the legislative session at which the
7 request is to be considered; and

8 (II) Has been certified by the director of the office of financial
9 management as being feasible financially for the state.

10 (C) If the director of the office of financial management does not
11 certify a request under (c)(ii)(B) of this subsection as being feasible
12 financially for the state, the parties shall enter into collective
13 bargaining solely for the purpose of reaching a mutually agreed upon
14 modification of the agreement necessary to address the absence of those
15 requested funds. The legislature may act upon the compensation and
16 fringe benefit provisions of the modified collective bargaining
17 agreement if those provisions are agreed upon and submitted to the
18 office of financial management and legislative budget committees before
19 final legislative action on the biennial or supplemental operating
20 budget by the sitting legislature.

21 (iii) In the case of a bargaining unit of employees of institutions
22 of higher education in which the exclusive bargaining representative is
23 certified during or after the conclusion of a legislative session, the
24 legislature may act upon the compensation and fringe benefit provisions
25 of the unit's initial collective bargaining agreement if those
26 provisions are agreed upon and submitted to the office of financial
27 management and legislative budget committees before final legislative
28 action on the biennial or supplemental operating budget by the sitting
29 legislature.

30 (5) There is hereby created a joint committee on employment
31 relations, which consists of two members with leadership positions in
32 the house of representatives, representing each of the two largest
33 caucuses; the chair and ranking minority member of the house
34 appropriations committee, or its successor, representing each of the
35 two largest caucuses; two members with leadership positions in the
36 senate, representing each of the two largest caucuses; and the chair
37 and ranking minority member of the senate ways and means committee, or
38 its successor, representing each of the two largest caucuses. The

1 governor shall periodically consult with the committee regarding
2 appropriations necessary to implement the compensation and fringe
3 benefit provisions in the master collective bargaining agreements, and
4 upon completion of negotiations, advise the committee on the elements
5 of the agreements and on any legislation necessary to implement the
6 agreements.

7 (6) If, after the compensation and fringe benefit provisions of an
8 agreement are approved by the legislature, a significant revenue
9 shortfall occurs resulting in reduced appropriations, as declared by
10 proclamation of the governor or by resolution of the legislature, both
11 parties shall immediately enter into collective bargaining for a
12 mutually agreed upon modification of the agreement.

13 (7) After the expiration date of a collective bargaining agreement
14 negotiated under this chapter, all of the terms and conditions
15 specified in the collective bargaining agreement remain in effect until
16 the effective date of a subsequently negotiated agreement, not to
17 exceed one year from the expiration date stated in the agreement.
18 Thereafter, the employer may unilaterally implement according to law.

19 (8) For the ~~((2011-2013))~~ 2013-2015 fiscal biennium, a collective
20 bargaining agreement related to employee health care benefits
21 negotiated between the employer and coalition pursuant to RCW
22 41.80.020(3) regarding the dollar amount expended on behalf of each
23 employee shall be a separate agreement for which the governor may
24 request funds necessary to implement the agreement. ~~((If such an
25 agreement is negotiated and funded by the legislature, this agreement
26 will supersede any terms and conditions of an expired 2009-2011
27 biennial master collective bargaining agreement under this chapter
28 regarding health care benefits.))~~ The legislature may act upon a
29 2013-2015 collective bargaining agreement related to employee health
30 care benefits if an agreement is reached and submitted to the office of
31 financial management and legislative budget committees before final
32 legislative action on the biennial or supplemental operating
33 appropriations act by the sitting legislature.

34 **Sec. 960.** RCW 41.80.020 and 2011 1st sp.s. c 50 s 939 and 2011 1st
35 sp.s. c 43 s 445 are each reenacted and amended to read as follows:

36 (1) Except as otherwise provided in this chapter, the matters

1 subject to bargaining include wages, hours, and other terms and
2 conditions of employment, and the negotiation of any question arising
3 under a collective bargaining agreement.

4 (2) The employer is not required to bargain over matters pertaining
5 to:

6 (a) Health care benefits or other employee insurance benefits,
7 except as required in subsection (3) of this section;

8 (b) Any retirement system or retirement benefit; or

9 (c) Rules of the human resources director, the director of
10 enterprise services, or the Washington personnel resources board
11 adopted under RCW 41.06.157.

12 (3) Matters subject to bargaining include the number of names to be
13 certified for vacancies, promotional preferences, and the dollar amount
14 expended on behalf of each employee for health care benefits. However,
15 except as provided otherwise in this subsection for institutions of
16 higher education, negotiations regarding the number of names to be
17 certified for vacancies, promotional preferences, and the dollar amount
18 expended on behalf of each employee for health care benefits shall be
19 conducted between the employer and one coalition of all the exclusive
20 bargaining representatives subject to this chapter. The exclusive
21 bargaining representatives for employees that are subject to chapter
22 47.64 RCW shall bargain the dollar amount expended on behalf of each
23 employee for health care benefits with the employer as part of the
24 coalition under this subsection. Any such provision agreed to by the
25 employer and the coalition shall be included in all master collective
26 bargaining agreements negotiated by the parties. For institutions of
27 higher education, promotional preferences and the number of names to be
28 certified for vacancies shall be bargained under the provisions of RCW
29 41.80.010(4). For agreements covering the ((2011-2013)) 2013-2015
30 fiscal biennium, any agreement between the employer and the coalition
31 regarding the dollar amount expended on behalf of each employee for
32 health care benefits is a separate agreement and shall not be included
33 in the master collective bargaining agreements negotiated by the
34 parties.

35 (4) The employer and the exclusive bargaining representative shall
36 not agree to any proposal that would prevent the implementation of
37 approved affirmative action plans or that would be inconsistent with

1 the comparable worth agreement that provided the basis for the salary
2 changes implemented beginning with the 1983-1985 biennium to achieve
3 comparable worth.

4 (5) The employer and the exclusive bargaining representative shall
5 not bargain over matters pertaining to management rights established in
6 RCW 41.80.040.

7 (6) Except as otherwise provided in this chapter, if a conflict
8 exists between an executive order, administrative rule, or agency
9 policy relating to wages, hours, and terms and conditions of employment
10 and a collective bargaining agreement negotiated under this chapter,
11 the collective bargaining agreement shall prevail. A provision of a
12 collective bargaining agreement that conflicts with the terms of a
13 statute is invalid and unenforceable.

14 (7) This section does not prohibit bargaining that affects
15 contracts authorized by RCW 41.06.142.

16 **Sec. 961.** RCW 43.08.190 and 2011 1st sp.s. c 50 s 941 are each
17 amended to read as follows:

18 There is hereby created a fund within the state treasury to be
19 known as the "state treasurer's service fund." Such fund shall be used
20 solely for the payment of costs and expenses incurred in the operation
21 and administration of the state treasurer's office.

22 Moneys shall be allocated monthly and placed in the state
23 treasurer's service fund equivalent to a maximum of one percent of the
24 trust and treasury average daily cash balances from the earnings
25 generated under the authority of RCW 43.79A.040 and 43.84.080 other
26 than earnings generated from investment of balances in funds and
27 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
28 precede the distribution of the remaining earnings as prescribed under
29 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
30 uniform allocation rate for all funds and accounts; except that the
31 state treasurer may negotiate a different allocation rate with any
32 state agency that has independent authority over funds not statutorily
33 required to be held in the state treasury or in the custody of the
34 state treasurer. In no event shall the rate be less than the actual
35 costs incurred by the state treasurer's office. If no rate is
36 separately negotiated, the default rate for any funds held shall be the
37 rate set for funds held pursuant to statute.

1 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-
2 2015 fiscal ((biennium)) biennia, the legislature may transfer from the
3 state treasurer's service fund to the state general fund such amounts
4 as reflect the excess fund balance of the fund.

5 **Sec. 962.** RCW 43.09.475 and 2011 1st sp.s. c 50 s 942 are each
6 amended to read as follows:

7 The performance audits of government account is hereby created in
8 the custody of the state treasurer. Revenue identified in RCW
9 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
10 in the account shall be used to fund the performance audits and follow-
11 up performance audits under RCW 43.09.470 and shall be expended by the
12 state auditor in accordance with chapter 1, Laws of 2006. Only the
13 state auditor or the state auditor's designee may authorize
14 expenditures from the account. The account is subject to allotment
15 procedures under chapter 43.88 RCW, but an appropriation is not
16 required for expenditures. (~~During the 2009-2011 fiscal biennium, the~~
17 ~~legislature may transfer from the performance audits of government~~
18 ~~account to the state general fund such amounts as deemed to be~~
19 ~~appropriate or necessary.)) During ((the)) the 2011-2013 and the
20 2013-2015 fiscal ((biennium)) biennia, the performance audits of
21 government account may be appropriated for fraud investigations in the
22 state auditor's office and the department of social and health
23 services, audit and collection functions in the department of revenue,
24 the joint legislative audit and review committee, the office of
25 financial management, and audits of school districts. In addition,
26 during the 2011-2013 and 2013-2015 fiscal ((biennium)) biennia the
27 account may be used to fund the office of financial management's
28 contract for the compliance audit of the state auditor.~~

29 **Sec. 963.** RCW 43.24.150 and 2011 c 298 s 25 are each amended to
30 read as follows:

31 (1) The business and professions account is created in the state
32 treasury. All receipts from business or professional licenses,
33 registrations, certifications, renewals, examinations, or civil
34 penalties assessed and collected by the department from the following
35 chapters must be deposited into the account:

- 36 (a) Chapter 18.11 RCW, auctioneers;

- 1 (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- 2 (c) Chapter 18.145 RCW, court reporters;
- 3 (d) Chapter 18.165 RCW, private investigators;
- 4 (e) Chapter 18.170 RCW, security guards;
- 5 (f) Chapter 18.185 RCW, bail bond agents;
- 6 (g) Chapter 18.280 RCW, home inspectors;
- 7 (h) Chapter 19.16 RCW, collection agencies;
- 8 (i) Chapter 19.31 RCW, employment agencies;
- 9 (j) Chapter 19.105 RCW, camping resorts;
- 10 (k) Chapter 19.138 RCW, sellers of travel;
- 11 (l) Chapter 42.44 RCW, notaries public;
- 12 (m) Chapter 64.36 RCW, timeshares;
- 13 (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 14 (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 15 (p) Chapter 79A.60 RCW, whitewater river outfitters; and
- 16 (q) Chapter 19.158 RCW, commercial telephone solicitation.

17 Moneys in the account may be spent only after appropriation.
18 Expenditures from the account may be used only for expenses incurred in
19 carrying out these business and professions licensing activities of the
20 department. Any residue in the account must be accumulated and may not
21 revert to the general fund at the end of the biennium. However, during
22 the 2013-2015 fiscal biennium the legislature may transfer to the state
23 general fund such amounts as reflect the excess fund balance in the
24 account.

25 (2) The director must biennially prepare a budget request based on
26 the anticipated costs of administering the business and professions
27 licensing activities listed in subsection (1) of this section, which
28 must include the estimated income from these business and professions
29 fees.

30 **Sec. 964.** RCW 43.71.030 and 2012 c 87 s 4 are each amended to read
31 as follows:

32 (1) The exchange may, consistent with the purposes of this chapter:
33 (a) Sue and be sued in its own name; (b) make and execute agreements,
34 contracts, and other instruments, with any public or private person or
35 entity; (c) employ, contract with, or engage personnel; (d) pay
36 administrative costs; (e) accept grants, donations, loans of funds, and
37 contributions in money, services, materials or otherwise, from the

1 United States or any of its agencies, from the state of Washington and
2 its agencies or from any other source, and use or expend those moneys,
3 services, materials, or other contributions; (f) aggregate or delegate
4 the aggregation of funds that comprise the premium for a health plan;
5 and (g) complete other duties necessary to begin open enrollment in
6 qualified health plans through the exchange beginning October 1, 2013.

7 (2) The board shall develop a methodology to ensure the exchange is
8 self-sustaining after December 31, 2014. The board shall seek input
9 from health carriers to develop funding mechanisms that fairly and
10 equitably apportion among carriers the reasonable administrative costs
11 and expenses incurred to implement the provisions of this chapter. The
12 board shall submit its recommendations to the legislature by December
13 1, 2012. If the legislature does not enact legislation during the 2013
14 regular session to modify or reject the board's recommendations, the
15 board may proceed with implementation of the recommendations. During
16 the 2013-2015 fiscal biennium, revenues to the exchange from charges to
17 enrollees and to the state, as appropriated in section 213 of this act,
18 shall not exceed 1.8 percent of premiums paid.

19 (3) The board shall establish policies that permit city and county
20 governments, Indian tribes, tribal organizations, urban Indian
21 organizations, private foundations, and other entities to pay premiums
22 on behalf of qualified individuals.

23 (4) The employees of the exchange may participate in the public
24 employees' retirement system under chapter 41.40 RCW and the public
25 employees' benefits board under chapter 41.05 RCW.

26 (5) Qualified employers may access coverage for their employees
27 through the exchange for small groups under section 1311 of P.L. 111-
28 148 of 2010, as amended. The exchange shall enable any qualified
29 employer to specify a level of coverage so that any of its employees
30 may enroll in any qualified health plan offered through the small group
31 exchange at the specified level of coverage.

32 (6) The exchange shall report its activities and status to the
33 governor and the legislature as requested, and no less often than
34 annually.

35 **Sec. 965.** RCW 43.79.445 and 2005 c 166 s 3 are each amended to
36 read as follows:

37 There is established an account in the state treasury referred to

1 as the "death investigations account" which shall exist for the purpose
2 of receiving, holding, investing, and disbursing funds appropriated or
3 provided in RCW 70.58.107 and any moneys appropriated or otherwise
4 provided thereafter.

5 Moneys in the death investigations account shall be disbursed by
6 the state treasurer once every year on December 31 and at any other
7 time determined by the treasurer. The treasurer shall make
8 disbursements to: The state toxicology laboratory, counties for the
9 cost of autopsies, the state patrol for providing partial funding for
10 the state dental identification system, the criminal justice training
11 commission for training county coroners, medical examiners and their
12 staff, and the state forensic investigations council. (~~Funds from the
13 death investigations account may be appropriated during the 1997-99
14 biennium for the purposes of statewide child mortality reviews
15 administered by the department of health.~~) Funds from the death
16 investigations account may be appropriated during the 2013-2015 fiscal
17 biennium for the activities of the state crime laboratory within the
18 Washington state patrol.

19 **Sec. 966.** RCW 43.79.480 and 2011 1st sp.s. c 50 s 947 are each
20 amended to read as follows:

21 (1) Moneys received by the state of Washington in accordance with
22 the settlement of the state's legal action against tobacco product
23 manufacturers, exclusive of costs and attorneys' fees, shall be
24 deposited in the tobacco settlement account created in this section
25 except as these moneys are sold or assigned under chapter 43.340 RCW.

26 (2) The tobacco settlement account is created in the state
27 treasury. Moneys in the tobacco settlement account may only be
28 transferred to the state general fund, and to the tobacco prevention
29 and control account for purposes set forth in this section. The
30 legislature shall transfer amounts received as strategic contribution
31 payments as defined in RCW 43.350.010 to the life sciences discovery
32 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013
33 fiscal biennia, the legislature may transfer less than the entire
34 strategic contribution payments, and may transfer amounts attributable
35 to strategic contribution payments into the basic health plan
36 stabilization account. During the 2013-2015 fiscal biennium, the

1 legislature may transfer less than the entire strategic contribution
2 payments, and may transfer amounts attributable to strategic
3 contribution payments into the state general fund.

4 (3) The tobacco prevention and control account is created in the
5 state treasury. The source of revenue for this account is moneys
6 transferred to the account from the tobacco settlement account,
7 investment earnings, donations to the account, and other revenues as
8 directed by law. Expenditures from the account are subject to
9 appropriation. During the 2009-2011 fiscal biennium, the legislature
10 may transfer from the tobacco prevention and control account to the
11 state general fund such amounts as represent the excess fund balance of
12 the account.

13 **Sec. 967.** RCW 43.101.200 and 2011 1st sp.s. c 50 s 949 are each
14 amended to read as follows:

15 (1) All law enforcement personnel, except volunteers, and reserve
16 officers whether paid or unpaid, initially employed on or after January
17 1, 1978, shall engage in basic law enforcement training which complies
18 with standards adopted by the commission pursuant to RCW 43.101.080.
19 For personnel initially employed before January 1, 1990, such training
20 shall be successfully completed during the first fifteen months of
21 employment of such personnel unless otherwise extended or waived by the
22 commission and shall be requisite to the continuation of such
23 employment. Personnel initially employed on or after January 1, 1990,
24 shall commence basic training during the first six months of employment
25 unless the basic training requirement is otherwise waived or extended
26 by the commission. Successful completion of basic training is
27 requisite to the continuation of employment of such personnel initially
28 employed on or after January 1, 1990.

29 (2) Except as otherwise provided in this chapter, the commission
30 shall provide the aforementioned training together with necessary
31 facilities, supplies, materials, and the board and room of noncommuting
32 attendees for seven days per week, except during the ((2011-2013))
33 2013-2015 fiscal biennium when the employing, county, city((+,+)) or
34 state law enforcement agency shall reimburse the commission for twenty-
35 five percent of the cost of training its personnel. Additionally, to
36 the extent funds are provided for this purpose, the commission shall
37 reimburse to participating law enforcement agencies with ten or less

1 full-time commissioned patrol officers the cost of temporary
2 replacement of each officer who is enrolled in basic law enforcement
3 training: PROVIDED, That such reimbursement shall include only the
4 actual cost of temporary replacement not to exceed the total amount of
5 salary and benefits received by the replaced officer during his or her
6 training period.

7 **Sec. 968.** RCW 43.155.050 and 2012 2nd sp.s. c 2 s 6004 are each
8 amended to read as follows:

9 The public works assistance account is hereby established in the
10 state treasury. Money may be placed in the public works assistance
11 account from the proceeds of bonds when authorized by the legislature
12 or from any other lawful source. Money in the public works assistance
13 account shall be used to make loans and to give financial guarantees to
14 local governments for public works projects. Moneys in the account may
15 also be appropriated to provide for state match requirements under
16 federal law for projects and activities conducted and financed by the
17 board under the drinking water assistance account. Not more than
18 fifteen percent of the biennial capital budget appropriation to the
19 public works board from this account may be expended or obligated for
20 preconstruction loans, emergency loans, or loans for capital facility
21 planning under this chapter; of this amount, not more than ten percent
22 of the biennial capital budget appropriation may be expended for
23 emergency loans and not more than one percent of the biennial capital
24 budget appropriation may be expended for capital facility planning
25 loans. During the 2011-2013 and 2013-2015 fiscal (~~(biennium)~~) biennia,
26 the legislature may transfer from the public works assistance account
27 to the general fund, the water pollution control revolving account, and
28 the drinking water assistance account such amounts as reflect the
29 excess fund balance of the account. During the 2011-2013 fiscal
30 biennium, the legislature may appropriate moneys from the account for
31 economic development, innovation, and export grants, including
32 brownfields; main street improvement grants; and the loan program
33 consolidation board. During the 2013-2015 fiscal biennium, the
34 legislature may transfer from the public works assistance account to
35 the general fund such amounts as reflect the excess fund balance of the
36 account.

1 **Sec. 969.** RCW 43.185.050 and 2011 1st sp.s. c 50 s 953 are each
2 amended to read as follows:

3 (1) The department shall use moneys from the housing trust fund and
4 other legislative appropriations to finance in whole or in part any
5 loans or grant projects that will provide housing for persons and
6 families with special housing needs and with incomes at or below fifty
7 percent of the median family income for the county or standard
8 metropolitan statistical area where the project is located. At least
9 thirty percent of these moneys used in any given funding cycle shall be
10 for the benefit of projects located in rural areas of the state as
11 defined by the department. If the department determines that it has
12 not received an adequate number of suitable applications for rural
13 projects during any given funding cycle, the department may allocate
14 unused moneys for projects in nonrural areas of the state.

15 (2) Activities eligible for assistance from the housing trust fund
16 and other legislative appropriations include, but are not limited to:

17 (a) New construction, rehabilitation, or acquisition of low and
18 very low-income housing units;

19 (b) Rent subsidies;

20 (c) Matching funds for social services directly related to
21 providing housing for special-need tenants in assisted projects;

22 (d) Technical assistance, design and finance services and
23 consultation, and administrative costs for eligible nonprofit community
24 or neighborhood-based organizations;

25 (e) Administrative costs for housing assistance groups or
26 organizations when such grant or loan will substantially increase the
27 recipient's access to housing funds other than those available under
28 this chapter;

29 (f) Shelters and related services for the homeless, including
30 emergency shelters and overnight youth shelters;

31 (g) Mortgage subsidies, including temporary rental and mortgage
32 payment subsidies to prevent homelessness;

33 (h) Mortgage insurance guarantee or payments for eligible projects;

34 (i) Down payment or closing cost assistance for eligible first-time
35 home buyers;

36 (j) Acquisition of housing units for the purpose of preservation as
37 low-income or very low-income housing;

1 (k) Projects making housing more accessible to families with
2 members who have disabilities; and

3 (1) During the 2005-2007 fiscal biennium, a manufactured/mobile
4 home landlord-tenant ombudsman conflict resolution and park
5 registration program.

6 (3) During the ~~((2005-2007-fiscal-biennium,-revenues-generated~~
7 ~~under-RCW-36.22.178-may-be-used-for-the-development-of-affordable~~
8 ~~housing-projects-and-other-activities-funded-in-section-108,-chapter~~
9 ~~371,-Laws-of-2006))~~ 2013-2015 fiscal biennium, the legislature may
10 transfer from the housing trust fund to the state general fund such
11 amounts as reflect the excess fund balance of the fund.

12 (4) Legislative appropriations from capital bond proceeds may be
13 used only for the costs of projects authorized under subsection (2)(a),
14 (i), and (j) of this section, and not for the administrative costs of
15 the department.

16 (5) Moneys from repayment of loans from appropriations from capital
17 bond proceeds may be used for all activities necessary for the proper
18 functioning of the housing assistance program except for activities
19 authorized under subsection (2)(b) and (c) of this section.

20 (6) Administrative costs of the department shall not exceed five
21 percent of the annual funds available for the housing assistance
22 program, except during the 2011-2013 fiscal biennium when
23 administrative costs associated with housing trust fund application,
24 distribution, and project development activities may not exceed three
25 percent of the annual funds available for the housing assistance
26 program; administrative costs associated with compliance and monitoring
27 activities of the department may not exceed one quarter of one percent
28 annually of the contracted amount of state investment in the housing
29 assistance program; and reappropriations may not be included in the
30 calculation of the annual funds available for determining the
31 administrative costs.

32 **Sec. 970.** RCW 43.325.040 and 2009 c 564 s 942 and 2009 c 451 s 5
33 are each reenacted and amended to read as follows:

34 (1) The energy freedom account is created in the state treasury.
35 All receipts from appropriations made to the account and any loan
36 payments of principal and interest derived from loans made under the
37 energy freedom account must be deposited into the account. Moneys in

1 the account may be spent only after appropriation. Expenditures from
2 the account may be used only for financial assistance for further
3 funding for projects consistent with this chapter or otherwise
4 authorized by the legislature.

5 (2) The green energy incentive account is created in the state
6 treasury as a subaccount of the energy freedom account. All receipts
7 from appropriations made to the green energy incentive account shall be
8 deposited into the account, and may be spent only after appropriation.
9 Expenditures from the account may be used only for:

10 (a) Refueling projects awarded under this chapter;

11 (b) Pilot projects for plug-in hybrids, including grants provided
12 for the electrification program set forth in RCW 43.325.110; and

13 (c) Demonstration projects developed with state universities as
14 defined in RCW 28B.10.016 and local governments that result in the
15 design and building of a hydrogen vehicle fueling station.

16 (3)(a) The energy recovery act account is created in the state
17 treasury. State and federal funds may be deposited into the account
18 and any loan payments of principal and interest derived from loans made
19 from the energy recovery act account must be deposited into the
20 account. Moneys in the account may be spent only after appropriation.

21 (b) Expenditures from the account may be used only for loans, loan
22 guarantees, and grants that encourage the establishment of innovative
23 and sustainable industries for renewable energy and energy efficiency
24 technology, including but not limited to:

25 (i) Renewable energy projects or programs that require interim
26 financing to complete project development and implementation;

27 (ii) Companies with innovative, near-commercial or commercial,
28 clean energy technology; and

29 (iii) Energy efficiency technologies that have a viable repayment
30 stream from reduced utility costs.

31 (c) The director shall establish policies and procedures for
32 processing, reviewing, and approving applications for funding under
33 this section. When developing these policies and procedures, the
34 department must consider the clean energy leadership strategy developed
35 under section 2, chapter 318, Laws of 2009.

36 (d) The director shall enter into agreements with approved
37 applicants to fix the term and rates of funding provided from this
38 account.

1 (e) The policies and procedures of this subsection (3) do not apply
2 to assistance awarded for projects under RCW 43.325.020(3).

3 (4) Any state agency receiving funding from the energy freedom
4 account is prohibited from retaining greater than three percent of any
5 funding provided from the energy freedom account for administrative
6 overhead or other deductions not directly associated with conducting
7 the research, projects, or other end products that the funding is
8 designed to produce unless this provision is waived in writing by the
9 director.

10 (5) Any university, institute, or other entity that is not a state
11 agency receiving funding from the energy freedom account is prohibited
12 from retaining greater than fifteen percent of any funding provided
13 from the energy freedom account for administrative overhead or other
14 deductions not directly associated with conducting the research,
15 projects, or other end products that the funding is designed to
16 produce.

17 (6) Subsections (2), (4), and (5) of this section do not apply to
18 assistance awarded for projects under RCW 43.325.020(3).

19 (7) During the (~~2009-2011~~) 2013-2015 fiscal biennium, the
20 legislature may transfer from the energy freedom account to the state
21 general fund such amounts as reflect the excess fund balance of the
22 account.

23 **Sec. 971.** RCW 46.66.080 and 2011 1st sp.s. c 50 s 958 are each
24 amended to read as follows:

25 (1) The Washington auto theft prevention authority account is
26 created in the state treasury, subject to appropriation. All revenues
27 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
28 receipts from gifts, grants, bequests, devises, or other funds from
29 public and private sources to support the activities of the auto theft
30 prevention authority must be deposited into the account. Expenditures
31 from the account may be used only for activities relating to motor
32 vehicle theft, including education, prevention, law enforcement,
33 investigation, prosecution, and confinement. During the (~~2009-2011~~
34 ~~and~~) 2011-2013 and 2013-2015 fiscal biennia, the legislature may
35 appropriate moneys from the Washington auto theft prevention authority
36 account for criminal justice purposes and community building and may

1 transfer funds to the state general fund such amounts as reflect the
2 excess fund balance of the account.

3 (2) The authority shall allocate moneys appropriated from the
4 account to public agencies for the purpose of establishing,
5 maintaining, and supporting programs that are designed to prevent motor
6 vehicle theft, including:

7 (a) Financial support to prosecution agencies to increase the
8 effectiveness of motor vehicle theft prosecution;

9 (b) Financial support to a unit of local government or a team
10 consisting of units of local governments to increase the effectiveness
11 of motor vehicle theft enforcement;

12 (c) Financial support for the procurement of equipment and
13 technologies for use by law enforcement agencies for the purpose of
14 enforcing motor vehicle theft laws; and

15 (d) Financial support for programs that are designed to educate and
16 assist the public in the prevention of motor vehicle theft.

17 (3) The costs of administration shall not exceed ten percent of the
18 moneys in the account in any one year so that the greatest possible
19 portion of the moneys available to the authority is expended on
20 combating motor vehicle theft.

21 (4) Prior to awarding any moneys from the Washington auto theft
22 prevention authority account for motor vehicle theft enforcement, the
23 auto theft prevention authority must verify that the financial award
24 includes sufficient funding to cover proposed activities, which
25 include, but are not limited to: (a) State, municipal, and county
26 offender and juvenile confinement costs; (b) administration costs; (c)
27 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
28 a priority being given to ensuring that sufficient funding is available
29 to cover state, municipal, and county offender and juvenile confinement
30 costs.

31 (5) Moneys expended from the Washington auto theft prevention
32 authority account under subsection (2) of this section shall be used to
33 supplement, not supplant, other moneys that are available for motor
34 vehicle theft prevention.

35 (6) Grants provided under subsection (2) of this section constitute
36 reimbursement for purposes of RCW 43.135.060(1).

1 **Sec. 972.** RCW 46.68.340 and 2008 c 282 s 3 are each amended to
2 read as follows:

3 The ignition interlock device revolving account is created in the
4 state treasury. All receipts from the fee assessed under RCW
5 46.20.385(6) must be deposited into the account. Moneys in the account
6 may be spent only after appropriation. Expenditures from the account
7 may be used only for administering and operating the ignition interlock
8 device revolving account program and during the 2013-2015 fiscal
9 biennium, the legislature may appropriate moneys from the ignition
10 interlock device revolving account for substance abuse programs for
11 offenders.

12 **Sec. 973.** RCW 70.42.090 and 1989 c 386 s 10 are each amended to
13 read as follows:

14 (1) The department shall establish a schedule of fees for license
15 applications, renewals, amendments, and waivers. In fixing said fees,
16 the department shall set the fees at a sufficient level to defray the
17 cost of administering the licensure program. All such fees shall be
18 fixed by rule adopted in accordance with the provisions of the
19 administrative procedure act, chapter 34.05 RCW. In determining the
20 fee schedule, the department shall consider the following: (a)
21 Complexity of the license required; (b) number and type of tests
22 performed at the test site; (c) degree of supervision required from the
23 department staff; (d) whether the license is granted under RCW
24 70.42.040; and (e) general administrative costs of the test site
25 licensing program established under this chapter. For each category of
26 license, fees charged shall be related to program costs.

27 (2) The medical test site licensure account is created in the state
28 treasury. The state treasurer shall transfer into the medical test
29 site licensure account all revenue received from medical test site
30 license fees. Funds for this account may only be appropriated for the
31 support of the activities defined under this chapter. For the 2013-
32 2015 fiscal biennium, moneys in the account may be spent for laboratory
33 services in the department of health.

34 (3) The department may establish separate fees for repeat
35 inspections and repeat audits it performs under RCW 70.42.170.

1 **Sec. 974.** RCW 70.93.180 and 2011 1st sp.s. c 50 s 963 are each
2 amended to read as follows:

3 (1) There is hereby created an account within the state treasury to
4 be known as the "waste reduction, recycling, and litter control
5 account". Moneys in the account may be spent only after appropriation.
6 Expenditures from the waste reduction, recycling, and litter control
7 account shall be used as follows:

8 (a) Fifty percent to the department of ecology, for use by the
9 departments of ecology, natural resources, revenue, transportation, and
10 corrections, and the parks and recreation commission, for use in litter
11 collection programs, to be distributed under RCW 70.93.220. The amount
12 to the department of ecology shall also be used for a central
13 coordination function for litter control efforts statewide, for the
14 biennial litter survey under RCW 70.93.200(8), and for statewide public
15 awareness programs under RCW 70.93.200(7). The amount to the
16 department shall also be used to defray the costs of administering the
17 funding, coordination, and oversight of local government programs for
18 waste reduction, litter control, and recycling, so that local
19 governments can apply one hundred percent of their funding to achieving
20 program goals. The amount to the department of revenue shall be used
21 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

22 (b) Twenty percent to the department for local government funding
23 programs for waste reduction, litter control, and recycling activities
24 by cities and counties under RCW 70.93.250, to be administered by the
25 department of ecology; and

26 (c) Thirty percent to the department of ecology for waste reduction
27 and recycling efforts.

28 (2) All taxes imposed in RCW 82.19.010 and fines and bail
29 forfeitures collected or received pursuant to this chapter shall be
30 deposited in the waste reduction, recycling, and litter control account
31 and used for the programs under subsection (1) of this section.

32 (3) Not less than five percent and no more than ten percent of the
33 amount appropriated into the waste reduction, recycling, and litter
34 control account every biennium shall be reserved for capital needs,
35 including the purchase of vehicles for transporting crews and for
36 collecting litter and solid waste. Capital funds shall be distributed
37 among state agencies and local governments according to the same
38 criteria provided in RCW 70.93.220 for the remainder of the funds, so

1 that the most effective waste reduction, litter control, and recycling
2 programs receive the most funding. The intent of this subsection is to
3 provide funds for the purchase of equipment that will enable the
4 department to account for the greatest return on investment in terms of
5 reaching a zero litter goal.

6 (4) During the 2009-2011 fiscal biennium, the legislature may
7 transfer from the waste reduction, recycling, and litter control
8 account to the state general fund such amounts as reflect the excess
9 fund balance of the account. Additionally, during the 2009-2011 fiscal
10 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

11 (5) During the 2011-2013 fiscal biennium, the legislature may
12 transfer from the waste reduction, recycling, and litter control
13 account to the state general fund such amounts as reflect the excess
14 fund balance of the account. Additionally, during the 2011-2013 fiscal
15 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

16 (6) During the 2013-2015 fiscal biennium, subsection (1)(a), (b),
17 and (c) of this section is suspended.

18 **Sec. 975.** RCW 70.105D.070 and 2012 2nd sp.s. c 7 s 920 and 2012
19 2nd sp.s. c 2 s 6005 are each reenacted and amended to read as follows:

20 (1) The state toxics control account and the local toxics control
21 account are hereby created in the state treasury.

22 (2) The following moneys shall be deposited into the state toxics
23 control account: (a) Those revenues which are raised by the tax
24 imposed under RCW 82.21.030 and which are attributable to that portion
25 of the rate equal to thirty-three one-hundredths of one percent; (b)
26 the costs of remedial actions recovered under this chapter or chapter
27 70.105A RCW; (c) penalties collected or recovered under this chapter;
28 and (d) any other money appropriated or transferred to the account by
29 the legislature. Moneys in the account may be used only to carry out
30 the purposes of this chapter, including but not limited to the
31 following activities:

32 (i) The state's responsibility for hazardous waste planning,
33 management, regulation, enforcement, technical assistance, and public
34 education required under chapter 70.105 RCW;

35 (ii) The state's responsibility for solid waste planning,
36 management, regulation, enforcement, technical assistance, and public
37 education required under chapter 70.95 RCW;

1 (iii) The hazardous waste cleanup program required under this
2 chapter;

3 (iv) State matching funds required under the federal cleanup law;

4 (v) Financial assistance for local programs in accordance with
5 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

6 (vi) State government programs for the safe reduction, recycling,
7 or disposal of hazardous wastes from households, small businesses, and
8 agriculture;

9 (vii) Hazardous materials emergency response training;

10 (viii) Water and environmental health protection and monitoring
11 programs;

12 (ix) Programs authorized under chapter 70.146 RCW;

13 (x) A public participation program, including regional citizen
14 advisory committees;

15 (xi) Public funding to assist potentially liable persons to pay for
16 the costs of remedial action in compliance with cleanup standards under
17 RCW 70.105D.030(2)(e) but only when the amount and terms of such
18 funding are established under a settlement agreement under RCW
19 70.105D.040(4) and when the director has found that the funding will
20 achieve both (A) a substantially more expeditious or enhanced cleanup
21 than would otherwise occur, and (B) the prevention or mitigation of
22 unfair economic hardship;

23 (xii) Development and demonstration of alternative management
24 technologies designed to carry out the hazardous waste management
25 priorities of RCW 70.105.150;

26 (xiii) During the 2009-2011 ~~((and))~~, 2011-2013, and 2013-2015
27 fiscal biennia, shoreline update technical assistance;

28 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional
29 permitting teams;

30 (xv) During the 2011-2013 fiscal biennium, actions for reducing
31 public exposure to toxic air pollution, and actions taken through the
32 family forest fish passage program to correct barriers to fish passage
33 on privately owned small forest lands; ~~((and))~~

34 (xvi) During the 2011-2013 fiscal biennium, the department of
35 ecology's water quality, shorelands and environmental assessment,
36 hazardous waste, waste to resources, nuclear waste, and air quality
37 programs; and

1 (xvii) During the 2013-2015 fiscal biennium, the department of
2 ecology's water quality, shorelands, environmental assessment,
3 administration, and air quality programs;

4 (xviii) During the 2013-2015 fiscal biennium, actions at the state
5 conservation commission to improve water quality for shellfish;

6 (xix) During the 2013-2015 fiscal biennium, solid and hazardous
7 waste compliance at the department of corrections;

8 (xx) During the 2013-2015 fiscal biennium, activities at the
9 department of fish and wildlife concerning water quality monitoring,
10 hatchery water quality regulatory compliance, and technical assistance
11 to local governments on growth management and shoreline management;

12 (xxi) During the 2013-2015 fiscal biennium, forest practices
13 regulation at the department of natural resources; and

14 (xxii) During the 2013-2015 fiscal biennium, actions at the
15 department of ecology and the University of Washington for reducing
16 ocean acidification.

17 (3) The following moneys shall be deposited into the local toxics
18 control account: Those revenues which are raised by the tax imposed
19 under RCW 82.21.030 and which are attributable to that portion of the
20 rate equal to thirty-seven one-hundredths of one percent.

21 (a) Moneys deposited in the local toxics control account shall be
22 used by the department for grants or loans to local governments for the
23 following purposes in descending order of priority:

24 (i) Remedial actions;

25 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

26 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
27 70.95I, and 70.105 RCW;

28 (iv) Funds for a program to assist in the assessment and cleanup of
29 sites of methamphetamine production, but not to be used for the initial
30 containment of such sites, consistent with the responsibilities and
31 intent of RCW 69.50.511; and

32 (v) Cleanup and disposal of hazardous substances from abandoned or
33 derelict vessels, defined for the purposes of this section as vessels
34 that have little or no value and either have no identified owner or
35 have an identified owner lacking financial resources to clean up and
36 dispose of the vessel, that pose a threat to human health or the
37 environment.

1 (b) Funds for plans and programs shall be allocated consistent with
2 the priorities and matching requirements established in chapters
3 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
4 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
5 project that is referenced in the action agenda developed by the Puget
6 Sound partnership under RCW 90.71.310, shall, except as conditioned by
7 RCW 70.105D.120, receive priority for any available funding for any
8 grant or funding programs or sources that use a competitive bidding
9 process. During the 2007-2009 fiscal biennium, moneys in the account
10 may also be used for grants to local governments to retrofit public
11 sector diesel equipment and for storm water planning and implementation
12 activities.

13 (c) To expedite cleanups throughout the state, the department shall
14 partner with local communities and liable parties for cleanups. The
15 department is authorized to use the following additional strategies in
16 order to ensure a healthful environment for future generations:

17 (i) The director may alter grant-matching requirements to create
18 incentives for local governments to expedite cleanups when one of the
19 following conditions exists:

20 (A) Funding would prevent or mitigate unfair economic hardship
21 imposed by the clean-up liability;

22 (B) Funding would create new substantial economic development,
23 public recreational, or habitat restoration opportunities that would
24 not otherwise occur; or

25 (C) Funding would create an opportunity for acquisition and
26 redevelopment of vacant, orphaned, or abandoned property under RCW
27 70.105D.040(5) that would not otherwise occur;

28 (ii) The use of outside contracts to conduct necessary studies;

29 (iii) The purchase of remedial action cost-cap insurance, when
30 necessary to expedite multiparty clean-up efforts.

31 (d) To facilitate and expedite cleanups using funds from the local
32 toxics control account, during the 2009-2011 fiscal biennium the
33 director may establish grant-funded accounts to hold and disperse local
34 toxics control account funds and funds from local governments to be
35 used for remedial actions.

36 (4) Except for unanticipated receipts under RCW 43.79.260 through
37 43.79.282, moneys in the state and local toxics control accounts may be
38 spent only after appropriation by statute.

1 (5) Except during the 2011-2013 fiscal biennium, one percent of the
2 moneys deposited into the state and local toxics control accounts shall
3 be allocated only for public participation grants to persons who may be
4 adversely affected by a release or threatened release of a hazardous
5 substance and to not-for-profit public interest organizations. The
6 primary purpose of these grants is to facilitate the participation by
7 persons and organizations in the investigation and remedying of
8 releases or threatened releases of hazardous substances and to
9 implement the state's solid and hazardous waste management priorities.
10 No grant may exceed sixty thousand dollars. Grants may be renewed
11 annually. Moneys appropriated for public participation from either
12 account which are not expended at the close of any biennium shall
13 revert to the state toxics control account.

14 (6) No moneys deposited into either the state or local toxics
15 control account may be used for solid waste incinerator feasibility
16 studies, construction, maintenance, or operation, or, after January 1,
17 2010, for projects designed to address the restoration of Puget Sound,
18 funded in a competitive grant process, that are in conflict with the
19 action agenda developed by the Puget Sound partnership under RCW
20 90.71.310.

21 (7) The department shall adopt rules for grant or loan issuance and
22 performance.

23 (8) During the 2011-2013 and 2013-2015 fiscal (~~(biennium)~~) biennia,
24 the legislature may transfer from the local toxics control account to
25 the state toxics control account such amounts as reflect excess fund
26 balance in the account.

27 (9) During the 2011-2013 fiscal biennium, the local toxics control
28 account may also be used for local government shoreline update grants
29 and actions for reducing public exposure to toxic air pollution;
30 funding to local governments for flood levee improvements; and grants
31 to local governments for brownfield redevelopment.

32 (10) During the 2013-2015 fiscal biennium, the local toxics control
33 account may also be used for local government stormwater planning and
34 implementation activities.

35 (11) During the 2013-2015 fiscal biennium, the local toxics control
36 account may also be used for local government shoreline update grants.

1 **Sec. 976.** RCW 70.119.150 and 1993 c 306 s 3 are each amended to
2 read as follows:

3 The waterworks operator certification account is created in the
4 general fund of the state treasury. All fees paid pursuant to RCW
5 70.119.100, 70.119.120(3), and any other receipts realized in the
6 administration of this chapter shall be deposited in the waterworks
7 operator certification account. Moneys in the account shall be spent
8 only after appropriation. Moneys from the account shall be used by the
9 department of health to carry out the purposes of the waterworks
10 operator certification program. For the 2013-2015 fiscal biennium,
11 moneys in the account may be spent on the department of health's water
12 protection and drinking water programs.

13 **Sec. 977.** RCW 70.148.020 and 2012 1st sp.s. c 3 s 1 are each
14 amended to read as follows:

15 (1) The pollution liability insurance program trust account is
16 established in the custody of the state treasurer. All funds
17 appropriated for this chapter and all premiums collected for
18 reinsurance shall be deposited in the account. Expenditures from the
19 account shall be used exclusively for the purposes of this chapter
20 including payment of costs of administering the pollution liability
21 insurance and underground storage tank community assistance programs.
22 Expenditures for payment of administrative and operating costs of the
23 agency are subject to the allotment procedures under chapter 43.88 RCW
24 and may be made only after appropriation by statute. No appropriation
25 is required for other expenditures from the account.

26 (2) Each calendar quarter, the director shall report to the
27 insurance commissioner the loss and surplus reserves required for the
28 calendar quarter. The director shall notify the department of revenue
29 of this amount by the fifteenth day of each calendar quarter.

30 (3) Each calendar quarter the director shall determine the amount
31 of reserves necessary to fund commitments made to provide financial
32 assistance under RCW 70.148.130 to the extent that the financial
33 assistance reserves do not jeopardize the operations and liabilities of
34 the pollution liability insurance program. The director shall notify
35 the department of revenue of this amount by the fifteenth day of each
36 calendar quarter. The director may immediately establish an initial

1 financial assistance reserve of five million dollars from available
2 revenues. The director may not expend more than fifteen million
3 dollars for the financial assistance program.

4 ~~((4))~~ (4) During the 2013-2015 fiscal biennium, the legislature
5 may transfer from the pollution liability insurance program trust
6 account to the state general fund such amounts as reflect the excess
7 fund balance of the account.

8 (5) This section expires July 1, 2020.

9 **Sec. 978.** RCW 74.09.215 and 2012 c 241 s 103 are each amended to
10 read as follows:

11 The medicaid fraud penalty account is created in the state
12 treasury. All receipts from civil penalties collected under RCW
13 74.09.210, all receipts received under judgments or settlements that
14 originated under a filing under the federal false claims act, and all
15 receipts received under judgments or settlements that originated under
16 the state medicaid fraud false claims act, chapter 74.66 RCW must be
17 deposited into the account. Moneys in the account may be spent only
18 after appropriation and must be used only for medicaid services, fraud
19 detection and prevention activities, recovery of improper payments, and
20 for other medicaid fraud enforcement activities. For the 2013-2015
21 fiscal biennium, moneys in the account may be spent on inpatient and
22 outpatient rebasing and conversion to the tenth version of the
23 international classification of diseases.

24 **Sec. 979.** RCW 77.12.201 and 2012 2nd sp.s. c 7 s 923 are each
25 amended to read as follows:

26 The legislative authority of a county may elect, by giving written
27 notice to the director and the treasurer prior to January 1st of any
28 year, to obtain for the following year an amount in lieu of real
29 property taxes on game lands as provided in RCW 77.12.203. Upon the
30 election, the county shall keep a record of all fines, forfeitures,
31 reimbursements, and costs assessed and collected, in whole or in part,
32 under this title for violations of law or rules adopted pursuant to
33 this title, with the exception of the 2011-2013 and 2013-2015 fiscal
34 ~~((biennium))~~ biennia, and shall monthly remit an amount equal to the
35 amount collected to the state treasurer for deposit in the state

1 general fund. The election shall continue until the department is
2 notified differently prior to January 1st of any year.

3 **Sec. 980.** RCW 77.12.203 and 2012 2nd sp.s. c 7 s 924 are each
4 amended to read as follows:

5 (1) Except as provided in subsection (5) of this section and
6 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
7 director shall pay by April 30th of each year on game lands in each
8 county, if requested by an election under RCW 77.12.201, an amount in
9 lieu of real property taxes equal to that amount paid on similar
10 parcels of open space land taxable under chapter 84.34 RCW or the
11 greater of seventy cents per acre per year or the amount paid in 1984
12 plus an additional amount for control of noxious weeds equal to that
13 which would be paid if such lands were privately owned. This amount
14 shall not be assessed or paid on department buildings, structures,
15 facilities, game farms, fish hatcheries, tidelands, or public fishing
16 areas of less than one hundred acres.

17 (2) "Game lands," as used in this section and RCW 77.12.201, means
18 those tracts one hundred acres or larger owned in fee by the department
19 and used for wildlife habitat and public recreational purposes. All
20 lands purchased for wildlife habitat, public access or recreation
21 purposes with federal funds in the Snake River drainage basin shall be
22 considered game lands regardless of acreage.

23 (3) This section shall not apply to lands transferred after April
24 23, 1990, to the department from other state agencies.

25 (4) The county shall distribute the amount received under this
26 section in lieu of real property taxes to all property taxing districts
27 except the state in appropriate tax code areas the same way it would
28 distribute local property taxes from private property. The county
29 shall distribute the amount received under this section for weed
30 control to the appropriate weed district.

31 (5) For the 2011-2013 and 2013-2015 fiscal (~~biennium~~) biennia,
32 the director shall pay by April 30th of each year on game lands in each
33 county, if requested by an election under RCW 77.12.201, an amount in
34 lieu of real property taxes and shall be distributed as follows:

	County	
1		
2		
3	Adams	1,909
4	Asotin	36,123
5	Chelan	24,757
6	Columbia	7,795
7	Ferry	6,781
8	Garfield	4,840
9	Grant	37,443
10	Grays Harbor	7,264
11	Kittitas	143,974
12	Klickitat	21,906
13	Lincoln	13,535
14	Okanogan	151,402
15	Pend Oreille	3,309
16	Yakima	126,225

17 These amounts shall not be assessed or paid on department buildings,
18 structures, facilities, game farms, fish hatcheries, tidelands, or
19 public fishing areas of less than one hundred acres.

20 **Sec. 981.** RCW 79.64.040 and 2012 2nd sp.s. c 7 s 927 are each
21 amended to read as follows:

22 (1) The board shall determine the amount deemed necessary in order
23 to achieve the purposes of this chapter and shall provide by rule for
24 the deduction of this amount from the moneys received from all leases,
25 sales, contracts, licenses, permits, easements, and rights-of-way
26 issued by the department and affecting state lands, community forest
27 trust lands, and aquatic lands, provided that no deduction shall be
28 made from the proceeds from agricultural college lands.

29 (2) Moneys received as deposits from successful bidders, advance
30 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
31 prior to December 1, 1981, which have not been subjected to deduction
32 under this section are not subject to deduction under this section.

33 (3) Except as otherwise provided in subsections (4) and (6) of this
34 section, the deductions authorized under this section shall not exceed

1 twenty-five percent of the moneys received by the department in
2 connection with any one transaction pertaining to state lands and
3 aquatic lands other than second-class tide and shore lands and the beds
4 of navigable waters, and fifty percent of the moneys received by the
5 department pertaining to second-class tide and shore lands and the beds
6 of navigable waters.

7 (4) Deductions authorized under this section for transactions
8 pertaining to community forest trust lands must be established at a
9 level sufficient to defray over time the management costs for
10 activities prescribed in a parcel's management plan adopted pursuant to
11 RCW 79.155.080, and, if deemed appropriate by the board consistent with
12 RCW 79.155.090, to reimburse the state and any local entities' eligible
13 financial contributions for acquisition of the parcel.

14 (5) In the event that the department sells logs using the contract
15 harvesting process described in RCW 79.15.500 through 79.15.530, the
16 moneys received subject to this section are the net proceeds from the
17 contract harvesting sale.

18 (6) During the 2011-2013 and 2013-2015 fiscal (~~(biennium)~~) biennia,
19 the twenty-five percent limitation on deductions set in subsection (3)
20 of this section may be increased up to thirty percent by the board.

21 **Sec. 982.** RCW 79.105.150 and 2012 2nd sp.s. c 7 s 929 and 2012 2nd
22 sp.s. c 2 s 6008 are each reenacted and amended to read as follows:

23 (1) After deduction for management costs as provided in RCW
24 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
25 received by the state from the sale or lease of state-owned aquatic
26 lands and from the sale of valuable material from state-owned aquatic
27 lands shall be deposited in the aquatic lands enhancement account which
28 is hereby created in the state treasury. After appropriation, these
29 funds shall be used solely for aquatic lands enhancement projects; for
30 the purchase, improvement, or protection of aquatic lands for public
31 purposes; for providing and improving access to the lands; and for
32 volunteer cooperative fish and game projects. During the 2011-2013
33 fiscal biennium, the aquatic lands enhancement account may also be used
34 for scientific research as part of the adaptive management process and
35 for developing a planning report for McNeil Island. During the 2011-
36 2013 fiscal biennium, the legislature may transfer from the aquatic
37 lands enhancement account to the state general fund such amounts as

1 reflect excess fund balance of the account. During the 2011-2013 and
2 2013-2015 fiscal (~~(biennium)~~) biennia, the aquatic lands enhancement
3 account may be used to support the shellfish program, the ballast water
4 program, (~~(parks,)~~) hatcheries, and the Puget Sound toxic sampling
5 program at the department of fish and wildlife, the knotweed program at
6 the department of agriculture, state park programs at the state parks
7 and recreation commission, the forest practices program at the
8 department of natural resources, and the Puget SoundCorps program.
9 During the 2011-2013 fiscal biennium and the 2013-2015 fiscal biennium,
10 the legislature may transfer from the aquatic lands enhancement account
11 to the marine resources stewardship trust account funds for the
12 purposes of RCW 43.372.070.

13 (2) In providing grants for aquatic lands enhancement projects, the
14 recreation and conservation funding board shall:

15 (a) Require grant recipients to incorporate the environmental
16 benefits of the project into their grant applications;

17 (b) Utilize the statement of environmental benefits, consideration,
18 except as provided in RCW 79.105.610, of whether the applicant is a
19 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
20 referenced in the action agenda developed by the Puget Sound
21 partnership under RCW 90.71.310, and except as otherwise provided in
22 RCW 79.105.630, and effective one calendar year following the
23 development and statewide availability of model evergreen community
24 management plans and ordinances under RCW 35.105.050, whether the
25 applicant is an entity that has been recognized, and what gradation of
26 recognition was received, in the evergreen community recognition
27 program created in RCW 35.105.030 in its prioritization and selection
28 process; and

29 (c) Develop appropriate outcome-focused performance measures to be
30 used both for management and performance assessment of the grants.

31 (3) To the extent possible, the department should coordinate its
32 performance measure system with other natural resource-related agencies
33 as defined in RCW 43.41.270.

34 (4) The department shall consult with affected interest groups in
35 implementing this section.

36 (5) After January 1, 2010, any project designed to address the
37 restoration of Puget Sound may be funded under this chapter only if the

1 project is not in conflict with the action agenda developed by the
2 Puget Sound partnership under RCW 90.71.310.

3 **Sec. 983.** RCW 82.08.160 and 2012 2nd sp.s. c 5 s 3 are each
4 amended to read as follows:

5 (1) On or before the twenty-fifth day of each month, all taxes
6 collected under RCW 82.08.150 during the preceding month must be
7 remitted to the state department of revenue, to be deposited with the
8 state treasurer. Except as provided in subsections (2) ~~((and))~~, (3),
9 and (4) of this section, upon receipt of such moneys the state
10 treasurer must credit sixty-five percent of the sums collected and
11 remitted under RCW 82.08.150 (1) and (2) and one hundred percent of the
12 sums collected and remitted under RCW 82.08.150 (3) and (4) to the
13 state general fund and thirty-five percent of the sums collected and
14 remitted under RCW 82.08.150 (1) and (2) to a fund which is hereby
15 created to be known as the "liquor excise tax fund."

16 (2) During the 2012 fiscal year, 66.19 percent of the sums
17 collected and remitted under RCW 82.08.150 (1) and (2) must be
18 deposited in the state general fund and the remainder collected and
19 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
20 liquor excise tax fund.

21 (3) During fiscal year 2013, all funds collected under RCW
22 82.08.150 (1), (2), (3), and (4) must be deposited into the state
23 general fund.

24 (4) During the 2013-2015 fiscal biennium, eighty two and one-half
25 percent of the sums collected and remitted under RCW 82.08.150(1) and
26 (2) must be deposited in the state general fund and the remainder
27 collected and remitted under RCW 82.08.150(1) and (2) must be deposited
28 in the liquor excise tax fund.

29 **Sec. 984.** RCW 82.14.310 and 2011 1st sp.s. c 50 s 970 are each
30 amended to read as follows:

31 (1) The county criminal justice assistance account is created in
32 the state treasury. Beginning in fiscal year 2000, the state treasurer
33 must transfer into the county criminal justice assistance account from
34 the general fund the sum of twenty-three million two hundred thousand
35 dollars divided into four equal deposits occurring on July 1, October
36 1, January 1, and April 1. For each fiscal year thereafter, the state

1 treasurer must increase the total transfer by the fiscal growth factor,
2 as defined in RCW 43.135.025, forecast for that fiscal year by the
3 office of financial management in November of the preceding year.

4 (2) The moneys deposited in the county criminal justice assistance
5 account for distribution under this section, less any moneys
6 appropriated for purposes under subsection (4) of this section, must be
7 distributed at such times as distributions are made under RCW 82.44.150
8 and on the relative basis of each county's funding factor as determined
9 under this subsection.

10 (a) A county's funding factor is the sum of:

11 (i) The population of the county, divided by one thousand, and
12 multiplied by two-tenths;

13 (ii) The crime rate of the county, multiplied by three-tenths; and

14 (iii) The annual number of criminal cases filed in the county
15 superior court, for each one thousand in population, multiplied by
16 five-tenths.

17 (b) Under this section and RCW 82.14.320 and 82.14.330:

18 (i) The population of the county or city is as last determined by
19 the office of financial management;

20 (ii) The crime rate of the county or city is the annual occurrence
21 of specified criminal offenses, as calculated in the most recent annual
22 report on crime in Washington state as published by the Washington
23 association of sheriffs and police chiefs, for each one thousand in
24 population;

25 (iii) The annual number of criminal cases filed in the county
26 superior court must be determined by the most recent annual report of
27 the courts of Washington, as published by the administrative office of
28 the courts;

29 (iv) Distributions and eligibility for distributions in the 1989-
30 1991 biennium must be based on 1988 figures for both the crime rate as
31 described under (ii) of this subsection and the annual number of
32 criminal cases that are filed as described under (iii) of this
33 subsection. Future distributions must be based on the most recent
34 figures for both the crime rate as described under (ii) of this
35 subsection and the annual number of criminal cases that are filed as
36 described under (iii) of this subsection.

37 (3) Moneys distributed under this section must be expended
38 exclusively for criminal justice purposes and may not be used to

1 replace or supplant existing funding. Criminal justice purposes are
2 defined as activities that substantially assist the criminal justice
3 system, which may include circumstances where ancillary benefit to the
4 civil or juvenile justice system occurs, and which includes (a)
5 domestic violence services such as those provided by domestic violence
6 programs, community advocates, and legal advocates, as defined in RCW
7 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile
8 dispositional hearings relating to petitions for at-risk youth,
9 truancy, and children in need of services. Existing funding for
10 purposes of this subsection is defined as calendar year 1989 actual
11 operating expenditures for criminal justice purposes. Calendar year
12 1989 actual operating expenditures for criminal justice purposes
13 exclude the following: Expenditures for extraordinary events not
14 likely to reoccur, changes in contract provisions for criminal justice
15 services, beyond the control of the local jurisdiction receiving the
16 services, and major nonrecurring capital expenditures.

17 (4) Not more than five percent of the funds deposited to the county
18 criminal justice assistance account may be available for appropriations
19 for enhancements to the state patrol crime laboratory system and the
20 continuing costs related to these enhancements. Funds appropriated
21 from this account for such enhancements may not supplant existing funds
22 from the state general fund.

23 (5) During the 2011-2013 fiscal biennium, the amount that would
24 otherwise be transferred into the county criminal justice assistance
25 account from the general fund under subsection (1) of this section must
26 be reduced by 3.4 percent.

27 (6) During the 2013-2015 fiscal biennium, for the purposes of
28 substance abuse and other programs for offenders, the legislature may
29 appropriate from the county criminal justice assistance account such
30 amounts as are in excess of the amounts necessary to fully meet the
31 state's obligations to the counties and to the Washington state patrol.
32 Excess amounts in this account are not the result of subsection (5) of
33 this section.

34 **Sec. 985.** RCW 86.26.007 and 2012 2nd sp.s. c 7 s 932 are each
35 amended to read as follows:

36 The flood control assistance account is hereby established in the
37 state treasury. At the beginning of the 2005-2007 fiscal biennium, the

1 state treasurer shall transfer three million dollars from the general
2 fund to the flood control assistance account. Each biennium thereafter
3 the state treasurer shall transfer four million dollars from the
4 general fund to the flood control assistance account, except that
5 during the 2011-2013 fiscal biennium, the state treasurer shall
6 transfer one million dollars from the general fund to the flood control
7 assistance account. Moneys in the flood control assistance account may
8 be spent only after appropriation for purposes specified under this
9 chapter. During the 2013-2015 fiscal biennium, the legislature may
10 transfer from the flood control assistance account to the state general
11 fund such amounts as reflect the excess fund balance of the account.

(End of part)

1 **Sec. 1104.** 2012 2nd sp.s. c 7 s 115 (uncodified) is amended to
2 read as follows:

3 **FOR THE ADMINISTRATOR FOR THE COURTS**

4	General Fund--State Appropriation (FY 2012)	((\$50,725,000))
5		<u>\$50,725,000</u>
6	General Fund--State Appropriation (FY 2013)	((\$48,429,000))
7		<u>\$48,594,000</u>
8	General Fund--Federal Appropriation	\$2,532,000
9	General Fund--Private/Local Appropriation	\$390,000
10	Judicial Information Systems Account--State	
11	Appropriation	\$42,362,000
12	Judicial Stabilization Trust Account--State	
13	Appropriation	\$5,954,000
14	TOTAL APPROPRIATION	((\$150,392,000))
15		<u>\$150,557,000</u>

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1) \$1,800,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$1,399,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for school districts for petitions
21 to juvenile court for truant students as provided in RCW 28A.225.030
22 and 28A.225.035. The office of the administrator for the courts shall
23 develop an interagency agreement with the superintendent of public
24 instruction to allocate the funding provided in this subsection.
25 Allocation of this money to school districts shall be based on the
26 number of petitions filed. This funding includes amounts school
27 districts may expend on the cost of serving petitions filed under RCW
28 28A.225.030 by certified mail or by personal service or for the
29 performance of service of process for any hearing associated with RCW
30 28A.225.030.

31 (2)(a) \$8,252,000 of the general fund--state appropriation for
32 fiscal year 2012 and \$7,313,000 of the general fund--state
33 appropriation for fiscal year 2013 are provided solely for distribution
34 to county juvenile court administrators to fund the costs of processing
35 truancy, children in need of services, and at-risk youth petitions.
36 The administrator for the courts, in conjunction with the juvenile
37 court administrators, shall develop an equitable funding distribution

1 formula. The formula shall neither reward counties with higher than
2 average per-petition processing costs nor shall it penalize counties
3 with lower than average per-petition processing costs.

4 (b) Each fiscal year during the 2011-2013 fiscal biennium, each
5 county shall report the number of petitions processed and the total
6 actual costs of processing truancy, children in need of services, and
7 at-risk youth petitions. Counties shall submit the reports to the
8 administrator for the courts no later than 45 days after the end of the
9 fiscal year. The administrator for the courts shall electronically
10 transmit this information to the chairs and ranking minority members of
11 the house of representatives and senate ways and means committees no
12 later than 60 days after a fiscal year ends. These reports are deemed
13 informational in nature and are not for the purpose of distributing
14 funds.

15 (3) The distributions made under this subsection and distributions
16 from the county criminal justice assistance account made pursuant to
17 section 801 of this act constitute appropriate reimbursement for costs
18 for any new programs or increased level of service for purposes of RCW
19 43.135.060.

20 (4) \$265,000 of the general fund--state appropriation for fiscal
21 year 2012 is provided solely for the office of public guardianship to
22 provide guardianship services for low-income incapacitated persons.

23 (5) \$1,178,000 of the judicial information systems account--state
24 appropriation is provided solely for replacing computer equipment at
25 state courts and state judicial agencies.

26 (6) No later than September 30, 2011, the judicial information
27 systems committee shall provide a report to the legislature on the
28 recommendations of the case management feasibility study, including
29 plans for a replacement of the superior court management information
30 system (SCOMIS) and plans for completing the data exchange core system
31 component consistent with a complete data exchange standard. No later
32 than December 31, 2011, the judicial information systems committee
33 shall provide a report to the legislature on the status of the data
34 exchange, the procurement process for a SCOMIS replacement, and a case
35 management system that is designed to meet the requirements approved by
36 the superior courts and county clerks of all thirty-nine counties. The
37 legislature shall solicit input on both reports from judicial,
38 legislative, and executive stakeholders.

1 (7) In order to gather better data on juveniles in the criminal
2 justice system, the administrative office of the courts shall modify
3 the judgment and sentence form for juvenile and adult sentences to
4 include one or more check boxes indicating whether (a) the adult
5 superior court had original jurisdiction for a defendant who was
6 younger than eighteen years of age at the time the case was filed; (b)
7 the case was originally filed in juvenile court but transferred to
8 adult superior court jurisdiction; or (c) the case was originally filed
9 in adult superior court or transferred to adult superior court but then
10 returned to the juvenile court.

11 (8) \$540,000 of the judicial stabilization trust account--state
12 appropriation is provided solely for the office of public guardianship
13 to continue guardianship services for those low-income incapacitated
14 persons who were receiving services on June 30, 2012.

15 (9) The Washington association of juvenile court administrators and
16 the juvenile rehabilitation administration, in consultation with the
17 community juvenile accountability act advisory committee and the
18 Washington state institute for public policy, shall analyze and review
19 data elements available from the administrative office of the courts
20 for possible integration into the evidence-based program quality
21 assurance plans and processes. The administrative office of the
22 courts, the Washington association of juvenile court administrators,
23 and the juvenile rehabilitation administration shall provide
24 information necessary to complete the review and analysis. The
25 Washington association of juvenile court administrators and the
26 juvenile rehabilitation administration shall report the findings of
27 their review and analysis, as well as any recommendations, to the
28 legislature by December 1, 2012.

29 (10) \$380,000 of the general fund--state appropriation for fiscal
30 year 2013 is provided solely for an interagency reimbursement to the
31 office of the attorney general for costs incurred in providing legal
32 representation to the superior court judges of Grays Harbor county in
33 Grays Harbor County v. State.

34 **Sec. 1105.** 2012 2nd sp.s. c 7 s 118 (uncodified) is amended to
35 read as follows:

36 **FOR THE OFFICE OF THE GOVERNOR**
37 General Fund--State Appropriation (FY 2012) \$5,102,000

1	General Fund--State Appropriation (FY 2013)	((\$5,247,000))
2		<u>\$5,322,000</u>
3	Economic Development Strategic Reserve Account--State	
4	Appropriation	\$1,500,000
5	TOTAL APPROPRIATION	((\$11,849,000))
6		<u>\$11,924,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations:

9 (1) \$1,500,000 of the economic development strategic reserve
10 account appropriation is provided solely for efforts to assist with
11 currently active industrial recruitment efforts that will bring new
12 jobs to the state or will retain headquarter locations of major
13 companies currently housed in the state.

14 (2) \$540,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$526,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the office of the education
17 ombudsman.

18 (3) \$75,000 of the general fund--state appropriation for fiscal
19 year 2013 is provided solely for implementation of Senate Bill No. 5802
20 (greenhouse gas emission targets). If the bill is not enacted by June
21 30, 2013, the amount provided in this subsection shall lapse.

22 **Sec. 1106.** 2012 2nd sp.s. c 7 s 121 (uncodified) is amended to
23 read as follows:

24 **FOR THE SECRETARY OF STATE**

25	General Fund--State Appropriation (FY 2012)	\$16,047,000
26	General Fund--State Appropriation (FY 2013)	((\$8,612,000))
27		<u>\$9,972,000</u>
28	General Fund--Federal Appropriation	\$7,326,000
29	Public Records Efficiency, Preservation, and Access	
30	Account--State Appropriation	((\$7,074,000))
31		<u>\$7,185,000</u>
32	Charitable Organization Education Account--State	
33	Appropriation	\$362,000
34	Local Government Archives Account--State	
35	Appropriation	\$8,516,000
36	Election Account--Federal Appropriation	\$17,284,000
37	Washington State Heritage Center Account--State	

1	Appropriation	\$5,028,000
2	TOTAL APPROPRIATION	(\$70,249,000)
3		<u>\$71,720,000</u>

4 The appropriations in this section are subject to the following
5 conditions and limitations:

6 (1) \$3,898,000 of the general fund--state appropriation for fiscal
7 year 2012 is provided solely to reimburse counties for the state's
8 share of primary and general election costs and the costs of conducting
9 mandatory recounts on state measures. Counties shall be reimbursed
10 only for those odd-year election costs that the secretary of state
11 validates as eligible for reimbursement.

12 (2)(a) \$1,847,000 of the general fund--state appropriation for
13 fiscal year 2012 and \$1,926,000 of the general fund--state
14 appropriation for fiscal year 2013 are provided solely for contracting
15 with a nonprofit organization to produce gavel-to-gavel television
16 coverage of state government deliberations and other events of
17 statewide significance during the 2011-2013 biennium. The funding
18 level for each year of the contract shall be based on the amount
19 provided in this subsection. The nonprofit organization shall be
20 required to raise contributions or commitments to make contributions,
21 in cash or in kind, in an amount equal to forty percent of the state
22 contribution. The office of the secretary of state may make full or
23 partial payment once all criteria in this subsection have been
24 satisfactorily documented.

25 (b) The legislature finds that the commitment of on-going funding
26 is necessary to ensure continuous, autonomous, and independent coverage
27 of public affairs. For that purpose, the secretary of state shall
28 enter into a contract with the nonprofit organization to provide public
29 affairs coverage.

30 (c) The nonprofit organization shall prepare an annual independent
31 audit, an annual financial statement, and an annual report, including
32 benchmarks that measure the success of the nonprofit organization in
33 meeting the intent of the program.

34 (d) No portion of any amounts disbursed pursuant to this subsection
35 may be used, directly or indirectly, for any of the following purposes:

36 (i) Attempting to influence the passage or defeat of any
37 legislation by the legislature of the state of Washington, by any
38 county, city, town, or other political subdivision of the state of

1 Washington, or by the congress, or the adoption or rejection of any
2 rule, standard, rate, or other legislative enactment of any state
3 agency;

4 (ii) Making contributions reportable under chapter 42.17 RCW; or
5 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
6 lodging, meals, or entertainment to a public officer or employee.

7 (3) Any reductions to funding for the Washington talking book and
8 Braille library may not exceed in proportion any reductions taken to
9 the funding for the library as a whole.

10 **Sec. 1107.** 2012 2nd sp.s. c 7 s 127 (uncodified) is amended to
11 read as follows:

12 **FOR THE ATTORNEY GENERAL**

13	General Fund--State Appropriation (FY 2012)	\$4,758,000
14	General Fund--State Appropriation (FY 2013)	(\$7,690,000)
15		<u>\$7,890,000</u>
16	General Fund--Federal Appropriation	\$10,015,000
17	New Motor Vehicle Arbitration Account--State	
18	Appropriation	\$968,000
19	Legal Services Revolving Account--State	
20	Appropriation	(\$197,375,000)
21		<u>\$197,412,000</u>
22	Tobacco Prevention and Control Account--State	
23	Appropriation	\$270,000
24	Medicaid Fraud Penalty Account--State Appropriation	\$1,129,000
25	TOTAL APPROPRIATION	(\$222,205,000)
26		<u>\$222,442,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations:

29 (1) The attorney general shall report each fiscal year on actual
30 legal services expenditures and actual attorney staffing levels for
31 each agency receiving legal services. The report shall be submitted to
32 the office of financial management and the fiscal committees of the
33 senate and house of representatives no later than ninety days after the
34 end of each fiscal year. As part of its by agency report to the
35 legislative fiscal committees and the office of financial management,
36 the office of the attorney general shall include information detailing

1 the agency's expenditures for its agency-wide overhead and a breakdown
2 by division of division administration expenses.

3 (2) Prior to entering into any negotiated settlement of a claim
4 against the state that exceeds five million dollars, the attorney
5 general shall notify the director of financial management and the
6 chairs of the senate committee on ways and means and the house of
7 representatives committee on ways and means.

8 (3) The attorney general shall annually report to the fiscal
9 committees of the legislature all new *cy pres* awards and settlements
10 and all new accounts, disclosing their intended uses, balances, the
11 nature of the claim or account, proposals, and intended timeframes for
12 the expenditure of each amount. The report shall be distributed
13 electronically and posted on the attorney general's web site. The
14 report shall not be printed on paper or distributed physically.

15 (4) The attorney general shall enter into an interagency agreement
16 with the department of social and health services for expenditure of
17 the state's proceeds from the *cy pres* settlement in *State of Washington*
18 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204
19 and 213 of this act.

20 (5) \$62,000 of the legal services revolving fund--state
21 appropriation is provided solely to implement House Bill No. 1770
22 (state purchasing). If the bill is not enacted by June 30, 2011, the
23 amount provided in this subsection shall lapse.

24 (6) \$5,924,000 of the legal services revolving account--state
25 appropriation is provided solely to implement House Bill No. 2123
26 (workers' compensation). If the bill is not enacted by June 30, 2011,
27 the amount provided in this subsection shall lapse.

28 (7) The office of the attorney general is authorized to expend
29 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer
30 protection costs in accordance with uses authorized in the court
31 orders.

32 (8) \$96,000 of the legal services revolving fund--state
33 appropriation is provided solely to implement Senate Bill No. 5076
34 (financial institutions). If the bill is not enacted by June 30, 2011,
35 the amount provided in this subsection shall lapse.

36 (9) \$99,000 of the legal services revolving fund--state
37 appropriation is provided solely to implement Engrossed Second

1 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill
2 is not enacted by June 30, 2011, the amount provided in this subsection
3 shall lapse.

4 (10) \$416,000 of the legal services revolving fund--state
5 appropriation is provided solely to implement Substitute Senate Bill
6 No. 5801 (industrial insurance system). If the bill is not enacted by
7 June 30, 2011, the amount provided in this subsection shall lapse.

8 (11) \$31,000 of the legal services revolving fund--state
9 appropriation is provided solely to implement Engrossed Substitute
10 Senate Bill No. 5021 (election campaign disclosure). If the bill is
11 not enacted by June 30, 2011, the amount provided in this subsection
12 shall lapse.

13 (12) The executive ethics board shall: (a) Develop a statewide
14 plan, with performance measures, to provide overall direction and
15 accountability in all executive branch agencies and statewide elected
16 offices; (b) coordinate and work with the commission on judicial
17 conduct and the legislative ethics board; (c) assess and evaluate each
18 agency's ethical culture through employee and stakeholder surveys,
19 review Washington state quality award feedback reports, and publish an
20 annual report on the results to the public; and (d) solicit outside
21 evaluations, studies, and recommendations for improvements from
22 academics, nonprofit organizations, the public disclosure commission,
23 or other entities with expertise in ethics, integrity, and the public
24 sector.

25 (13) \$11,000 of the legal services revolving fund--state
26 appropriation is provided solely to implement House Bill No. 2301
27 (boxing, martial arts, wrestling). If the bill is not enacted by June
28 30, 2012, the amount provided in this subsection shall lapse.

29 (14) \$56,000 of the legal services revolving fund--state
30 appropriation is provided solely to implement House Bill No. 2319
31 (affordable care act). If the bill is not enacted by June 30, 2012,
32 the amount provided in this subsection shall lapse.

33 (15) \$5,743,000 of the general fund--state appropriation for fiscal
34 year 2013 is provided solely for the legal costs associated with the
35 evaluation, filing, prosecution, response to petitions for release, and
36 appeal of sexually violent predator civil commitment cases, as provided
37 in chapter 71.09 RCW. Within the amount provided in this subsection,

1 the attorney general may enter into an interagency agreement with a
2 county prosecutor to perform prosecution services pursuant to chapter
3 71.09 RCW.

4 (16) \$94,000 of the legal services revolving fund--state
5 appropriation is provided solely to implement Senate Bill No. 6103
6 (reflexology and massage therapy). If the bill is not enacted by June
7 30, 2012, the amount provided in this subsection shall lapse.

8 (17) \$57,000 of the legal services revolving fund--state
9 appropriation is provided solely for implementation of Engrossed
10 Substitute Senate Bill No. 6237 (medical assistants). If the bill is
11 not enacted by June 30, 2012, the amount provided in this subsection
12 shall lapse.

13 (18) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)
14 is not enacted by June 30, 2012, the amounts appropriated in this
15 section from the medicaid fraud penalty account--state appropriation
16 shall lapse and an additional \$730,000 shall be appropriated from the
17 general fund--state for fiscal year 2013 for fraud detection and
18 prevention activities, recovery of improper payments, and for other
19 medicaid fraud enforcement activities.

20 (19) \$56,000 of the legal services revolving fund--state
21 appropriation is provided solely to implement House Bill No. 2592
22 (extended foster care). If the bill is not enacted by June 30, 2012,
23 the amount provided in this subsection shall lapse.

24 (20) \$65,000 of the legal services revolving fund--state
25 appropriation is provided solely for implementation of Second Engrossed
26 Substitute Senate Bill No. 6406 (state natural resources). If the bill
27 is not enacted by June 30, 2012, the amount provided in this subsection
28 shall lapse.

29 **Sec. 1108.** 2012 2nd sp.s. c 7 s 129 (uncodified) is amended to
30 read as follows:

31 **FOR THE DEPARTMENT OF COMMERCE**

32	General Fund--State Appropriation (FY 2012)	\$51,799,000
33	General Fund--State Appropriation (FY 2013)	(\$72,839,000)
34		<u>\$53,539,000</u>
35	General Fund--Federal Appropriation	\$340,184,000
36	General Fund--Private/Local Appropriation	\$5,036,000
37	Public Works Assistance Account--State	

1	Appropriation	\$2,733,000
2	Drinking Water Assistance Administrative	
3	Account--State Appropriation	\$437,000
4	Lead Paint Account--State Appropriation	(\$65,000)
5		<u>\$100,000</u>
6	Building Code Council Account--State Appropriation	\$13,000
7	Home Security Fund Account--State Appropriation	\$21,007,000
8	Affordable Housing for All Account--State	
9	Appropriation	\$11,899,000
10	County Research Services Account--State	
11	Appropriation	\$540,000
12	Financial Fraud and Identity Theft Crimes Investigation	
13	and Prosecution Account--State Appropriation	(\$1,166,000)
14		<u>\$969,000</u>
15	Low-Income Weatherization Assistance Account--State	
16	Appropriation	(\$2,427,000)
17		<u>\$1,186,000</u>
18	City and Town Research Services Account--State	
19	Appropriation	\$2,577,000
20	Community and Economic Development Fee Account--State	
21	Appropriation	\$6,781,000
22	Washington Housing Trust Account--State	
23	Appropriation	\$17,444,000
24	Prostitution Prevention and Intervention Account--	
25	State Appropriation	\$86,000
26	Public Facility Construction Loan Revolving	
27	Account--State Appropriation	\$748,000
28	Washington Community Technology Opportunity Account--	
29	State Appropriation	\$713,000
30	Liquor Revolving Account--State Appropriation	(\$2,802,000)
31		<u>\$3,032,000</u>
32	TOTAL APPROPRIATION	(\$541,296,000)
33		<u>\$520,823,000</u>

34 The appropriations in this section are subject to the following
35 conditions and limitations:

36 (1) Repayments of outstanding mortgage and rental assistance
37 program loans administered by the department under RCW 43.63A.640 shall

1 be remitted to the department, including any current revolving account
2 balances. The department shall collect payments on outstanding loans,
3 and deposit them into the state general fund. Repayments of funds owed
4 under the program shall be remitted to the department according to the
5 terms included in the original loan agreements.

6 (2) \$500,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$500,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for a grant to resolution
9 Washington to building statewide capacity for alternative dispute
10 resolution centers and dispute resolution programs that guarantee that
11 citizens have access to low-cost resolution as an alternative to
12 litigation.

13 (3) \$306,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$306,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for a grant to the retired senior
16 volunteer program.

17 (4) The department shall administer its growth management act
18 technical assistance so that smaller cities receive proportionately
19 more assistance than larger cities or counties.

20 (5) \$1,800,000 of the home security fund--state appropriation is
21 provided for transitional housing assistance or partial payments for
22 rental assistance under the independent youth housing program.

23 (6) \$5,000,000 of the home security fund--state appropriation is
24 for the operation, repair, and staffing of shelters in the homeless
25 family shelter program.

26 (7) \$198,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$198,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the Washington new Americans
29 program.

30 (8) \$2,949,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$2,949,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for associate development
33 organizations.

34 (9) \$127,000 of the general fund--federal appropriation is provided
35 solely for implementation of Substitute House Bill No. 1886
36 (Ruckelshaus center process). If the bill is not enacted by June 30,
37 2011, the amount provided in this subsection shall lapse.

1 (10) Up to \$200,000 of the general fund--private/local
2 appropriation is for a grant to the Washington tourism alliance for the
3 maintenance of the Washington state tourism web site
4 www.experiencewa.com and its related sub-sites. The department may
5 transfer ownership of the web site and other tourism promotion assets
6 and assign obligations to the Washington tourism alliance for purposes
7 of tourism promotion throughout the state. The alliance may use the
8 assets only in a manner consistent with the purposes for which they
9 were created. Any revenue generated from these assets must be used by
10 the alliance for the sole purposes of statewide Washington tourism
11 promotion. The legislature finds that the Washington tourism alliance,
12 a not-for-profit, 501.c.6 organization established, funded, and
13 governed by Washington tourism industry stakeholders to sustain
14 destination tourism marketing across Washington, is an appropriate body
15 to receive funding and assets from and assume obligations of the
16 department for the purposes described in this section.

17 (11) Within the appropriations in this section, specific funding is
18 provided to implement Substitute Senate Bill No. 5741 (economic
19 development commission).

20 (12) \$2,000,000 of the community and economic development fee
21 account appropriation is provided solely for the department of commerce
22 for services to homeless families through the Washington families fund.

23 (13) \$234,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$233,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the Washington asset building
26 coalitions.

27 (14) \$1,859,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$1,859,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for innovative research teams,
30 also known as entrepreneurial STARS, at higher education research
31 institutions, and for entrepreneurs-in-residence programs at higher
32 education research institutions and entrepreneurial assistance
33 organizations. Of these amounts no more than \$50,000 in fiscal year
34 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
35 the operation of entrepreneurs-in-residence programs at entrepreneurial
36 assistance organizations external to higher education research
37 institutions.

1 (15) Up to \$700,000 of the general fund--private/local
2 appropriation is for pass-through grants to cities in central Puget
3 Sound to plan for transfer of development rights receiving areas under
4 the central Puget Sound regional transfer of development rights
5 program.

6 (16) \$16,000 of the general fund--state appropriation for fiscal
7 year 2012 is provided solely to implement section 503 of Substitute
8 House Bill No. 1277 (licensed settings for vulnerable adults). The
9 long-term care ombudsman shall convene an adult family home quality
10 assurance panel to review problems concerning the quality of care for
11 residents in adult family homes. If Substitute House Bill No. 1277
12 (licensed settings for vulnerable adults) is not enacted by June 30,
13 2011, the amount provided in this subsection shall lapse.

14 (17) \$19,605,000 of the general fund--state appropriation for
15 fiscal year 2012 and \$39,527,000 of the general fund--state
16 appropriation for fiscal year 2013 are provided solely for
17 establishment of the essential needs and housing support program
18 created in Engrossed Substitute House Bill No. 2082 (essential needs
19 and assistance program). The department of commerce shall contract for
20 these services with counties or community-based organizations involved
21 in providing essential needs and housing supports to low-income persons
22 who meet eligibility pursuant to Engrossed Substitute House Bill No.
23 2082. The department shall limit the funding used for administration
24 of the program to no more than five percent. Counties and community
25 providers shall limit the funding used for administration of the
26 program to no more than seven percent.

27 (a) Of the amounts provided in this subsection, \$4,000,000 is
28 provided solely for essential needs to clients who meet the eligibility
29 established in Engrossed Substitute House Bill No. 2082. Counties and
30 community-based organizations shall distribute basic essential products
31 in a manner that prevents abuse. To the greatest extent possible, the
32 counties or community-based organizations shall leverage local or
33 private funds, and volunteer support to acquire and distribute the
34 basic essential products.

35 (b) Of the amounts provided in this subsection, \$55,000,000 is
36 provided solely for housing support services to individuals who are
37 homeless or who may become homeless, and are eligible for services

1 under this program pursuant to Engrossed Substitute House Bill No.
2 2082.

3 (18) \$4,380,000 of the home security fund--state appropriation is
4 provided solely for the department to provide homeless housing services
5 in accordance with Engrossed Substitute House Bill No. 2048 (housing
6 assistance surcharges). If Engrossed Substitute House Bill No. 2048
7 (housing assistance surcharges) is not enacted by June 30, 2012, the
8 amounts provided in this subsection shall lapse.

9 (19) \$85,000 of the general fund--state appropriation for fiscal
10 year 2013 is provided solely for the developmental disabilities council
11 to contract for a family-to-family mentor program to provide
12 information and support to families and guardians of persons who are
13 transitioning out of residential habilitation centers. To the maximum
14 extent allowable under federal law, these funds shall be matched under
15 medicaid through the department of social and health services and
16 federal funds shall be transferred to the department for the purposes
17 stated in this subsection.

18 (20) \$2,802,000 of the liquor revolving account--state
19 appropriation is provided solely for the department to contract with
20 the municipal research and services center of Washington.

21 (21) \$1,000,000 of the general fund--state appropriation for fiscal
22 year 2013 is provided solely for deposit in the shelter to housing
23 project account, hereby created in the custody of the state treasurer
24 as a nonappropriated account. The department may expend funds from the
25 account solely for a two-year pilot project to enable young adults to
26 move from temporary emergency shelter housing to transitional and
27 permanent housing throughout King county. The pilot project will be
28 administered under contract with the YMCA of greater Seattle in
29 collaboration with the rising out of the shadows young adult shelter.
30 Funding may be used for case management, housing subsidy,
31 transportation, shelter services, training and evaluation. The pilot
32 project and the shelter to housing project account expire December 31,
33 2014.

34 (22) \$12,000 of the general fund--state appropriation for fiscal
35 year 2013 is provided solely to implement Engrossed Second Substitute
36 Senate Bill No. 5292 (irrigation and port districts). If the bill is
37 not enacted by June 30, 2012, the amount provided in this subsection
38 shall lapse.

1 (23) \$100,000 of the general fund--private/local appropriation is
 2 provided solely for the department to provide analysis and an advisory
 3 opinion on whether a proposed electric generation project or
 4 conservation resource qualifies to meet mandatory conservation targets
 5 in accordance with Substitute Senate Bill No. 6414 (review
 6 process/utilities). The department is authorized to require an
 7 applicant to pay an application fee to cover the cost of reviewing the
 8 project and preparing an advisory opinion. If Substitute Senate Bill
 9 No. 6414 (review process/utilities) is not enacted by June 30, 2012,
 10 the amount provided in this subsection shall lapse.

11 **Sec. 1109.** 2012 2nd sp.s. c 7 s 131 (uncodified) is amended to
 12 read as follows:

13 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

14	General Fund--State Appropriation (FY 2012)	\$18,369,000
15	General Fund--State Appropriation (FY 2013)	(\$18,584,000)
16		<u>\$18,853,000</u>
17	General Fund--Federal Appropriation	\$31,530,000
18	General Fund--Private/Local Appropriation	\$1,370,000
19	Performance Audits of Government Account--State	
20	Appropriation	\$198,000
21	Economic Development Strategic Reserve Account--State	
22	Appropriation	\$280,000
23	Department of Personnel Services--State	
24	Appropriation	\$8,551,000
25	Data Processing Revolving Account--State	
26	Appropriation	\$5,910,000
27	Higher Education Personnel Services Account--State	
28	Appropriation	\$1,537,000
29	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
30	TOTAL APPROPRIATION	(\$86,429,000)
31		<u>\$86,698,000</u>

32 The appropriations in this section are subject to the following
 33 conditions and limitations:

34 (1) \$1,210,000 of the general fund--state appropriation for fiscal
 35 year 2012 and \$1,210,000 of the general fund--state appropriation for
 36 fiscal year 2013 are provided solely for implementation of House Bill

1 No. 1178 (regulatory assistance office). If the bill is not enacted by
2 June 30, 2011, the amounts provided in this subsection shall lapse.

3 (2) \$150,000 of the general fund--state appropriation for fiscal
4 year 2012 is provided solely for the office of financial management to
5 contract with an independent consultant to evaluate and recommend the
6 most cost-effective provision of services required to support the
7 department of social and health services special commitment center on
8 McNeil Island. The evaluation shall include island operation services
9 that include, but are not limited to: (a) Marine transport of
10 passengers and goods; (b) wastewater treatment; (c) fire protection and
11 suppression; (d) electrical supply; (e) water supply; and (f) road
12 maintenance.

13 The office of financial management shall solicit the input of
14 Pierce county, the department of corrections, and the department of
15 social and health services in developing the request for proposal,
16 evaluating applications, and directing the evaluation. The consultant
17 shall report to the governor and legislature by November 15, 2011.

18 (3) \$100,000 of the aquatic lands enhancement account--state
19 appropriation is provided solely for the office of financial management
20 to prepare a report to be used to initiate a comprehensive, long-range
21 planning process for the future of McNeil Island during the 2013-2015
22 fiscal biennium.

23 (a) The report on the initiation of the process must document:

24 (i) Ownership issues, including consultation with the federal
25 government about its current legal requirements associated with the
26 island;

27 (ii) Federal and state decision-making processes to change use or
28 ownership;

29 (iii) Tribal treaty interests;

30 (iv) Fish and wildlife species and their habitats;

31 (v) Land use and public safety needs;

32 (vi) Recreational opportunities for the general public;

33 (vii) Historic and archaeological resources; and

34 (viii) Revenue from and necessary to support potential future uses
35 of the island.

36 (b) The report shall develop and recommend a comprehensive, long-
37 range planning process for the future of the island and associated
38 aquatic resources, addressing the items in (a) of this subsection.

1 (c) The office of financial management may use its own staff and
2 other public agency and tribal staff or contract for services, and may
3 create a work group of knowledgeable agencies, organizations, and
4 individuals to assist in preparing the report.

5 (d) The office of financial management shall engage in broad
6 consultation with interested parties, including, but not limited to:

7 (i) Federal agencies with relevant responsibilities;

8 (ii) Tribal governments;

9 (iii) State agencies;

10 (iv) Local governments and communities in the area, including the
11 Anderson Island community, Steilacoom, and Pierce county; and

12 (v) Interested private organizations and individuals.

13 (e) The report must be submitted to the governor and appropriate
14 committees of the legislature by October 1, 2012.

15 (4) The appropriations in this section include funding for
16 activities transferred from the sentencing guidelines commission to the
17 office of financial management pursuant to Engrossed Substitute Senate
18 Bill No. 5891 (criminal justice cost savings). Prior to the effective
19 date of Engrossed Substitute Senate Bill No. 5891, the appropriations
20 in this section may be expended for the continued operations and
21 expenses of the sentencing guidelines commission pursuant to the
22 expenditure authority schedule produced by the office of financial
23 management in accordance with chapter 43.88 RCW.

24 ~~((+6))~~ (5) \$115,000 of the general fund--state appropriation for
25 fiscal year 2013 is provided solely for implementation of Engrossed
26 Substitute House Bill No. 2483 (higher education coordination). If the
27 bill is not enacted by June 30, 2012, the amount provided in this
28 subsection shall lapse.

29 ~~((+7))~~ (6)(a) The office of financial management shall determine
30 if cost savings can be achieved by the state through contracting for
31 interpreter services more effectively. The office of financial
32 management must work with all state agencies that use interpreter
33 services to determine:

34 (i) How agencies currently procure interpreter services;

35 (ii) To what degree brokers or foreign language agencies are used
36 in the acquisition of interpreter services; and

37 (iii) The cost of interpreter services as currently provided.

1 (b) The office of financial management, in consultation with the
2 department of enterprise services, must also examine approaches to
3 procuring interpreter services, including using the department of
4 enterprise services' master contract, limiting overhead costs
5 associated with interpreter contracts, and direct scheduling of
6 interpreters. The report must include recommendations for the state to
7 procure services in a more consistent and cost-effective manner.

8 (c) The office of financial management, in consultation with the
9 department of labor and industries, must determine the impact that any
10 alternative approach to procuring interpreter services will have on
11 medical providers.

12 (d) The report must include:

13 (i) Analysis of the current process for procuring interpreter
14 services;

15 (ii) Recommendations regarding options to make obtaining
16 interpreter services more consistent and cost-effective; and

17 (iii) Estimates for potential cost savings.

18 (e) The office of financial management must report to the fiscal
19 committees of the legislature by December 1, 2012.

20 ~~((+8))~~ (7) \$25,000 of the general fund--state appropriation for
21 fiscal year 2012 and \$225,000 of the general fund--state appropriation
22 for fiscal year 2013 are provided solely for implementation of House
23 Bill No. 2824 (education funding). If the bill is not enacted by June
24 30, 2012, the amount provided in this subsection shall lapse.

25 (8) \$175,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for implementation of Senate Bill No. 5802
27 (greenhouse gas emission targets). If the bill is not enacted by June
28 30, 2013, the amount provided in this subsection shall lapse.

29 **Sec. 1110.** 2012 2nd sp.s. c 7 s 132 (uncodified) is amended to
30 read as follows:

31 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

32 Administrative Hearings Revolving Account--State

33 Appropriation ((~~\$35,713,000~~))
34 \$36,063,000

35 The appropriation in this section is subject to the following
36 conditions and limitations: \$769,000 of the administrative hearings
37 revolving account--state appropriation is provided solely to implement

1 Engrossed Substitute Senate Bill No. 5921 (social services programs).
2 If the bill is not enacted by June 30, 2011, the amount provided in
3 this subsection shall lapse.

4 **Sec. 1111.** 2012 2nd sp.s. c 7 s 136 (uncodified) is amended to
5 read as follows:

6 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

7 Department of Retirement Systems Expense

8 Account--State Appropriation (~~(\$46,511,000)~~)
9 \$46,591,000

10 The appropriation in this section is subject to the following
11 conditions and limitations:

12 (1) \$146,000 of the department of retirement systems--state
13 appropriation is provided solely for the administrative costs
14 associated with implementation of House Bill No. 2070 (state and local
15 government employees). If the bill is not enacted by June 30, 2011,
16 the amount provided in this subsection shall lapse.

17 (2) \$65,000 of the department of retirement systems--state
18 appropriation is provided solely for the administrative costs
19 associated with implementation of House Bill No. 1625 (plan 3 default
20 investment option). If the bill is not enacted by June 30, 2011, the
21 amount provided in this subsection shall lapse.

22 (3) \$133,000 of the department of retirement systems--state
23 appropriation is provided solely for the administrative costs
24 associated with implementation of Engrossed House Bill No. 1981 as
25 amended (post-retirement employment). If the bill is not enacted by
26 June 30, 2011, the amount provided in this subsection shall lapse.

27 (4) \$15,000 of the department of retirement systems expense
28 account--state appropriation is provided solely for the administrative
29 costs associated with implementation of Substitute House Bill No. 2021
30 (plan 1 annual increase amounts). If the bill is not enacted by June
31 30, 2011, the amount provided in this section shall lapse.

32 (5) \$32,000 of the department of retirement systems--state
33 appropriation is provided solely for the administrative costs
34 associated with implementation of Engrossed Senate Bill No. 5159 (state
35 patrol retirement system service credit). If the bill is not enacted
36 by June 30, 2012, the amount provided in this subsection shall lapse.

1 **Sec. 1112.** 2012 2nd sp.s. c 7 s 139 (uncodified) is amended to
2 read as follows:

3 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

4 OMWBE Enterprises Account--State Appropriation((~~\$3,654,000~~))
5 \$3,754,000

6 **Sec. 1113.** 2012 2nd sp.s. c 7 s 142 (uncodified) is amended to
7 read as follows:

8 **FOR THE LIQUOR CONTROL BOARD**

9 Liquor Control Board Construction and Maintenance

10 Account--State Appropriation \$3,063,000
11 Liquor Revolving Account--State Appropriation \$171,838,000
12 General Fund--Federal Appropriation \$945,000
13 General Fund--Private/Local Appropriation \$25,000
14 TOTAL APPROPRIATION \$175,871,000

15 The appropriations in this section are subject to the following
16 conditions and limitations:

17 (1) The legislature intends to facilitate the orderly transition of
18 liquor services as required by Initiative Measure No. 1183. For liquor
19 control board employees that remain through June 15, 2012, a temporary
20 opportunity to cash out sick leave is provided to assist the unique
21 challenges to the liquor control board and its employees posed by this
22 transition.

23 (2) Within the amounts appropriated in this section from the liquor
24 revolving account--state appropriation, liquor control board employees
25 who: (a) Occupy positions in the job classifications provided in
26 subsection (3)(c) of this section that will be eliminated after the
27 liquor control board ceases to distribute liquor; and (b) remain as
28 liquor control board employees through June 15, 2012, and who separate
29 from service due to lay off by October 1, 2012, may elect to receive
30 remuneration for their entire sick leave balance at a rate equal to one
31 day's current monetary compensation of the employee for each four full
32 days of accrued sick leave.

33 (3) The following conditions apply to sick leave cash out under
34 this subsection:

35 (a) The rate of monetary compensation for the purposes of this
36 subsection shall not be reduced by any temporary salary reduction;

1 (b) Remuneration or benefits received under this subsection shall
2 not be included for the purpose of computing a retirement allowance
3 under any public retirement system in this state;

4 (c) The following job classifications are eligible:

- 5 (i) Liquor store clerk;
- 6 (ii) Retail assistant store manager 1;
- 7 (iii) Retail assistant store manager 2;
- 8 (iv) Retail store manager 3;
- 9 (v) Retail store manager 4;
- 10 (vi) Retail district manager;
- 11 (vii) Retail operations manager;
- 12 (viii) Director of retail services;
- 13 (ix) Director of distribution center;
- 14 (x) Director of purchasing;
- 15 (xi) Director of business enterprise;
- 16 (xii) Warehouse operator 1;
- 17 (xiii) Warehouse operator 2;
- 18 (xiv) Warehouse operator 3; and
- 19 (xv) Warehouse operator 4; and

20 (d) Should the legislature revoke any remuneration or benefits
21 granted under this section, an affected employee shall not be entitled
22 thereafter to receive such benefits as a matter of contractual right.

23 (4) Within the amounts appropriated in this section from the liquor
24 revolving account--state for fiscal year 2013, up to \$946,000 may be
25 used by the liquor control board to implement Initiative Measure No.
26 502.

27 **Sec. 1114.** 2012 2nd sp.s. c 7 s 144 (uncodified) is amended to
28 read as follows:

29 **FOR THE MILITARY DEPARTMENT**

30	General Fund--State Appropriation (FY 2012)	\$7,116,000
31	General Fund--State Appropriation (FY 2013)	((\$6,872,000))
32		<u>\$6,938,000</u>
33	General Fund--Federal Appropriation	((\$159,075,000))
34		<u>\$159,114,000</u>
35	Enhanced 911 Account--State Appropriation	\$48,620,000
36	Disaster Response Account--State Appropriation	((\$23,119,000))
37		<u>\$23,904,000</u>

1	Disaster Response Account--Federal Appropriation	\$91,368,000
2	Military Department Rent and Lease Account--State	
3	Appropriation	\$615,000
4	Worker and Community Right-to-Know Account--State	
5	Appropriation	\$2,163,000
6	TOTAL APPROPRIATION	(\$338,948,000)
7		<u>\$339,838,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations:

10 (1) \$18,018,000 of the disaster response account--state
11 appropriation and \$66,266,000 of the disaster response account--federal
12 appropriation may be spent only on disasters declared by the governor
13 and with the approval of the office of financial management. The
14 military department shall submit a report to the office of financial
15 management and the legislative fiscal committees on October 1st and
16 February 1st of each year detailing information on the disaster
17 response account, including: (a) The amount and type of deposits into
18 the account; (b) the current available fund balance as of the reporting
19 date; and (c) the projected fund balance at the end of the 2011-2013
20 biennium based on current revenue and expenditure patterns.

21 (2) \$75,000,000 of the general fund--federal appropriation is
22 provided solely for homeland security, subject to the following
23 conditions:

24 (a) Any communications equipment purchased by local jurisdictions
25 or state agencies shall be consistent with standards set by the
26 Washington state interoperability executive committee; and

27 (b) The department shall submit an annual report to the office of
28 financial management and the legislative fiscal committees detailing
29 the governor's domestic security advisory group recommendations;
30 homeland security revenues and expenditures, including estimates of
31 total federal funding for the state; and incremental changes from the
32 previous estimate.

33 **Sec. 1115.** 2012 2nd sp.s. c 7 s 149 (uncodified) is amended to
34 read as follows:

35 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

36	General Fund--State Appropriation (FY 2012)	\$3,401,000
37	General Fund--State Appropriation (FY 2013)	\$3,309,000

1	((General Fund--Federal Appropriation	\$177,000
2	General Fund--Private/Local Appropriation	\$368,000))
3	Building Code Council Account--State Appropriation	\$1,186,000
4	Department of Personnel Service Account--State	
5	Appropriation	\$11,117,000
6	Enterprise Services Account--State Appropriation	\$26,336,000
7	TOTAL APPROPRIATION	((<u>\$45,894,000</u>))
8		<u>\$45,349,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations:

11 (1) The appropriations in this section are for the operations and
12 expenses of the department of enterprise services as established by
13 Engrossed Substitute Senate Bill No. 5931 (central service functions of
14 state government), effective October 1, 2011. Prior to October 1,
15 2011, the appropriations in this section may be expended for the
16 continued operations and expenses of the office of financial
17 management, the department of general administration, the department of
18 information services, and the department of personnel, pursuant to the
19 expenditure authority schedules produced by the office of financial
20 management, in accordance with chapter 43.88 RCW.

21 (2) \$3,028,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$2,967,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the payment of facilities and
24 services charges, utilities and contracts charges, public and historic
25 facilities charges, and capital projects surcharges allocable to the
26 senate, house of representatives, statute law committee, and joint
27 legislative systems committee. The department shall allocate charges
28 attributable to these agencies among the affected revolving funds. The
29 department shall maintain an interagency agreement with these agencies
30 to establish performance standards, prioritization of preservation and
31 capital improvement projects, and quality assurance provisions for the
32 delivery of services under this subsection. The legislative agencies
33 named in this subsection shall continue to enjoy all of the same rights
34 of occupancy and space use on the capitol campus as historically
35 established.

36 (3) In accordance with RCW 46.08.172 and 43.135.055, the department
37 is authorized to increase parking fees in fiscal years 2012 and 2013 as
38 necessary to meet the actual costs of conducting business.

1 (4) The building code council account appropriation is provided
2 solely for the operation of the state building code council as required
3 by statute and modified by the standards established by executive order
4 10-06. The council shall not consider any proposed code amendment or
5 take any other action not authorized by statute or in compliance with
6 the standards established in executive order 10-06. No member of the
7 council may receive compensation, per diem, or reimbursement for
8 activities other than physical attendance at those meetings of the
9 state building code council or the council's designated committees, at
10 which the opportunity for public comment is provided generally and on
11 all agenda items upon which the council proposes to take action.

12 (5) Specific funding is provided for the purposes of section 3 of
13 House Bill No. 1770 (state purchasing).

14 (6) The amounts appropriated in this section are for implementation
15 of Senate Bill No. 5931 (streamlining central service functions).

16 (7) The department of enterprise services shall purchase flags
17 needed for ceremonial occasions on the capitol campus in order to fully
18 represent the countries that have an international consulate in
19 Washington state.

20 (8) Before any agency may purchase a passenger motor vehicle as
21 defined in RCW 43.19.560, the agency must have written approval from
22 the director of the department of enterprise services.

23 (9) The department shall adjust billings for self-insurance
24 premiums to transportation agencies to reflect rate reductions assumed
25 in this act.

(End of part)

PART XII
HUMAN SERVICES

Sec. 1201. 2012 2nd sp.s. c 7 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the

1 department may combine and transfer such medicaid funds appropriated
2 under sections 204, 206, 208, and 213 of this act as may be necessary
3 to finance a unified health care plan for the WMIP and the MICP program
4 enrollment. The WMIP pilot projects shall not exceed a daily
5 enrollment of 6,000 persons, nor expand beyond one county during the
6 2011-2013 fiscal biennium. The amount of funding assigned from each
7 program may not exceed the average per capita cost assumed in this act
8 for individuals covered by that program, actuarially adjusted for the
9 health condition of persons enrolled, times the number of clients
10 enrolled. In implementing the WMIP and the MICP, the health care
11 authority and the department may: (i) Withhold from calculations of
12 "available resources" as set forth in RCW 71.24.025 a sum equal to the
13 capitated rate for enrolled individuals; and (ii) employ capitation
14 financing and risk-sharing arrangements in collaboration with health
15 care service contractors licensed by the office of the insurance
16 commissioner and qualified to participate in both the medicaid and
17 medicare programs. The health care authority and the department shall
18 conduct an evaluation of the WMIP by October 15, 2012, and of the MICP
19 measuring changes in participant health outcomes, changes in patterns
20 of service utilization, participant satisfaction, participant access to
21 services, and the state fiscal impact.

22 (b) (~~Effective January 1, 2013,~~) If Washington has been selected
23 to participate in (~~phase two~~) a financial capitation model of the
24 federal demonstration project for persons dually-eligible for both
25 medicare and medicaid, the department and the authority may initiate
26 the MICP. Participation in the project shall be limited to persons who
27 are eligible for both medicare and medicaid and to counties in which
28 the county legislative authority has agreed to the terms and conditions
29 under which it will operate. The purpose of the project shall be to
30 demonstrate and evaluate ways to improve care while reducing state
31 expenditures for persons enrolled both in medicare and medicaid. To
32 that end, prior to initiating the project, the department and the
33 authority shall assure that state expenditures shall be no greater on
34 either a per person or total basis than the state would otherwise
35 incur. Individuals who are solely eligible for medicaid may also
36 participate if their participation is agreed to by the health care
37 authority, the department, and the county legislative authority.

1 (4) The legislature finds that medicaid payment rates, as
2 calculated by the department pursuant to the appropriations in this
3 act, bear a reasonable relationship to the costs incurred by
4 efficiently and economically operated facilities for providing quality
5 services and will be sufficient to enlist enough providers so that care
6 and services are available to the extent that such care and services
7 are available to the general population in the geographic area. The
8 legislature finds that cost reports, payment data from the federal
9 government, historical utilization, economic data, and clinical input
10 constitute reliable data upon which to determine the payment rates.

11 (5) The department shall to the maximum extent practicable use the
12 same system for delivery of spoken-language interpreter services for
13 social services appointments as the one established for medical
14 appointments in section 213 of this act. When contracting directly
15 with an individual to deliver spoken language interpreter services, the
16 department shall only contract with language access providers who are
17 working at a location in the state and who are state-certified or
18 state-authorized, except that when such a provider is not available,
19 the department may use a language access provider who meets other
20 certifications or standards deemed to meet state standards, including
21 interpreters in other states.

22 (6)(a) The appropriations to the department of social and health
23 services in this act shall be expended for the programs and in the
24 amounts specified in this act. However, after May 1, (~~(2012))~~ 2013,
25 unless specifically prohibited by this act, the department may transfer
26 general fund--state appropriations for fiscal year (~~(2012))~~ 2013 among
27 programs after approval by the director of financial management.
28 However, the department shall not transfer state moneys that are
29 provided solely for a specified purpose except as expressly provided in
30 (b) of this subsection.

31 (b) To the extent that transfers under (a) of this subsection are
32 insufficient to fund actual expenditures in excess of fiscal year
33 (~~(2012))~~ 2013 caseload forecasts and utilization assumptions in the
34 long-term care, foster care, adoptions support, medicaid personal care,
35 and child support programs, the department may transfer state moneys
36 that are provided solely for a specified purpose. The department shall
37 not transfer funds, and the director of financial management shall not
38 approve the transfer, unless the transfer is consistent with the

1 objective of conserving, to the maximum extent possible, the
 2 expenditure of state funds. The director of financial management shall
 3 notify the appropriate fiscal committees of the senate and house of
 4 representatives in writing seven days prior to approving any allotment
 5 modifications or transfers under this subsection. The written
 6 notification shall include a narrative explanation and justification of
 7 the changes, along with expenditures and allotments by budget unit and
 8 appropriation, both before and after any allotment modifications or
 9 transfers.

10 **Sec. 1202.** 2012 2nd sp.s. c 7 s 202 (uncodified) is amended to
 11 read as follows:

12 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**
 13 **SERVICES PROGRAM**

14	General Fund--State Appropriation (FY 2012)	\$287,014,000
15	General Fund--State Appropriation (FY 2013)	(\$285,018,000)
16		<u>\$281,562,000</u>
17	General Fund--Federal Appropriation	(\$479,315,000)
18		<u>\$476,655,000</u>
19	General Fund--Private/Local Appropriation	(\$1,354,000)
20		<u>\$1,804,000</u>
21	Home Security Fund--State Appropriation	\$10,741,000
22	Domestic Violence Prevention Account--State	
23	Appropriation	\$1,240,000
24	Education Legacy Trust Account--State Appropriation	\$725,000
25	TOTAL APPROPRIATION	(\$1,065,407,000)
26		<u>\$1,059,741,000</u>

27 The appropriations in this section are subject to the following
 28 conditions and limitations:

29 (1) Within amounts provided for the foster care and adoption
 30 support programs, the department shall control reimbursement decisions
 31 for foster care and adoption support cases such that the aggregate
 32 average cost per case for foster care and for adoption support does not
 33 exceed the amounts assumed in the projected caseload expenditures.

34 (2) \$668,000 of the general fund--state appropriation for fiscal
 35 year 2012 and \$668,000 of the general fund--state appropriation for
 36 fiscal year 2013 are provided solely to contract for the operation of
 37 one pediatric interim care center. The center shall provide

1 residential care for up to thirteen children through two years of age.
2 Seventy-five percent of the children served by the center must be in
3 need of special care as a result of substance abuse by their mothers.
4 The center shall also provide on-site training to biological, adoptive,
5 or foster parents. The center shall provide at least three months of
6 consultation and support to the parents accepting placement of children
7 from the center. The center may recruit new and current foster and
8 adoptive parents for infants served by the center. The department
9 shall not require case management as a condition of the contract. The
10 department shall collaborate with the pediatric interim care center to
11 determine if and how the center could be appropriately incorporated
12 into the performance-based contract model and report its findings to
13 the legislature by December 1, 2012.

14 (3)(a) \$80,887,000 of the general fund--state appropriation for
15 fiscal year 2012, (~~(\$81,067,000)~~) \$53,786,000 of the general fund--
16 state appropriation for fiscal year 2013, and (~~(\$74,800,000)~~)
17 \$71,598,000 of the general fund--federal appropriation are provided
18 solely for services for children and families. The amounts provided in
19 this section shall be allotted on a monthly basis and expenditures
20 shall not exceed allotments based on a three month rolling average
21 without approval of the office of financial management following
22 notification to the legislative fiscal committees.

23 (b) The department shall use these services to safely reduce the
24 number of children in out-of-home care, safely reduce the time spent in
25 out-of-home care prior to achieving permanency, and safely reduce the
26 number of children returning to out-of-home care following permanency.
27 The department shall provide an initial report to the legislature and
28 the governor by January 15, 2012, regarding the start-up costs
29 associated with performance-based contracts under RCW 74.13.360 .

30 (c) Of the amounts provided in (a) of this subsection, \$579,000 of
31 the general fund--state appropriation for fiscal year 2013 and \$109,000
32 of the general fund--federal appropriation are provided solely for a
33 receiving care center east of the Cascade mountains.

34 (4) \$176,000 of the general fund--state appropriation for fiscal
35 year 2012, \$177,000 of the general fund--state appropriation for fiscal
36 year 2013, \$656,000 of the general fund--private/local appropriation,
37 \$253,000 of the general fund--federal appropriation, and \$725,000 of
38 the education legacy trust account--state appropriation are provided

1 solely for children's administration to contract with an educational
2 advocacy provider with expertise in foster care educational outreach.
3 The amounts in this subsection are provided solely for contracted
4 education coordinators to assist foster children in succeeding in K-12
5 and higher education systems and to assure a focus on education during
6 the transition to performance based contracts. Funding shall be
7 prioritized to regions with high numbers of foster care youth and/or
8 regions where backlogs of youth that have formerly requested
9 educational outreach services exist. The department shall utilize
10 private matching funds to maintain educational advocacy services.

11 (5) \$670,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$670,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for services provided through
14 children's advocacy centers.

15 (6) To ensure expenditures remain within available funds
16 appropriated in this section as required by RCW 74.13A.005 and
17 74.13A.020, the secretary shall not set the amount of any adoption
18 assistance payment or payments, made pursuant to RCW 26.33.320 and
19 74.13A.005 through 74.13A.080, to more than ninety percent of the
20 foster care maintenance payment for that child had he or she remained
21 in a foster family home during the same period. This subsection does
22 not apply to adoption assistance agreements in existence on the
23 effective date of this section.

24 (7) \$10,741,000 of the home security fund--state appropriation is
25 provided solely for the department to contract for services pursuant to
26 RCW 13.32A.030 and 74.15.220. The department shall contract and
27 collaborate with service providers in a manner that maintains the
28 availability and geographic representation of secure and semi-secure
29 crisis residential centers and HOPE centers. To achieve efficiencies
30 and increase utilization, the department shall allow the co-location of
31 these centers, except that a youth may not be placed in a secure
32 facility or the secure portion of a co-located facility except as
33 specifically authorized by chapter 13.32A RCW. The reductions to
34 appropriations in this subsection related to semi-secure crisis
35 residential centers reflect a reduction to the number of beds for semi-
36 secure crisis residential centers and not a reduction in rates. Any
37 secure crisis residential center or semi-secure crisis residential
38 center bed reduction shall not be based solely upon bed utilization.

1 The department is to exercise its discretion in reducing the number of
2 beds but to do so in a manner that maintains availability and
3 geographic representation of semi-secure and secure crisis residential
4 centers.

5 (8) \$47,000 of the general fund--state appropriation for fiscal
6 year 2012, \$14,000 of the general fund--state appropriation for fiscal
7 year 2013, and \$40,000 of the general fund--federal appropriation are
8 provided solely to implement Substitute House Bill No. 1697 (dependency
9 system). If the bill is not enacted by June 30, 2011, the amounts
10 provided in this subsection shall lapse.

11 (9) \$564,000 of the general fund--federal appropriation is provided
12 solely to implement Second Substitute House Bill No. 1128 (extended
13 foster care). If the bill is not enacted by June 30, 2011, the amount
14 provided in this subsection shall lapse.

15 (10) \$799,000 of the general fund--state appropriation for fiscal
16 year 2013 and \$799,000 of the general fund--federal appropriation are
17 provided solely for the implementation of Engrossed Second Substitute
18 House Bill No. 2264 (child welfare/contracting). If the bill is not
19 enacted by June 30, 2012, the amounts provided in this subsection shall
20 lapse.

21 (11) \$178,000 of the general fund--federal appropriation is
22 provided solely for the implementation of Engrossed Second Substitute
23 House Bill No. 2592 (extended foster care). If the bill is not enacted
24 by June 30, 2012, the amount provided in this subsection shall lapse.

25 (12) \$616,000 of the general fund--state appropriation for fiscal
26 year 2013 and \$616,000 of the general fund--federal appropriation are
27 provided solely for the implementation of Engrossed Substitute Senate
28 Bill No. 6555 (child protective services). If the bill is not enacted
29 by June 30, 2012, the amounts provided in this subsection shall lapse.

30 (13) \$57,000 of the general fund--state appropriation for fiscal
31 year 2013 and \$53,000 of the general fund--federal appropriation are
32 provided solely for staffing costs associated with implementation of
33 Engrossed __ Second __ Substitute __ House __ Bill __ No. __ 2536 __ (children
34 services/delivery). The amounts provided in this subsection must be
35 used for coordinated evidence-based practice implementation amongst the
36 department's programs providing mental health, child welfare, and
37 juvenile justice services to children.

1 fiscal year 2013 are provided solely to implement community juvenile
2 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
3 code revisions). Funds provided in this subsection may be used solely
4 for community juvenile accountability grants, administration of the
5 grants, and evaluations of programs funded by the grants.

6 (4) \$1,130,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$1,130,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely to implement alcohol and substance
9 abuse treatment programs for locally committed offenders. The juvenile
10 rehabilitation administration shall award these moneys on a competitive
11 basis to counties that submitted a plan for the provision of services
12 approved by the division of alcohol and substance abuse. The juvenile
13 rehabilitation administration shall develop criteria for evaluation of
14 plans submitted and a timeline for awarding funding and shall assist
15 counties in creating and submitting plans for evaluation.

16 (5) \$3,123,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$3,123,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for grants to county juvenile
19 courts for the following programs identified by the Washington state
20 institute for public policy (institute) in its October 2006 report:
21 "Evidence-Based Public Policy Options to Reduce Future Prison
22 Construction, Criminal Justice Costs and Crime Rates": Functional
23 family therapy, multi-systemic therapy, aggression replacement training
24 and interagency coordination programs, or other programs with a
25 positive benefit-cost finding in the institute's report. County
26 juvenile courts shall apply to the juvenile rehabilitation
27 administration for funding for program-specific participation and the
28 administration shall provide grants to the courts consistent with the
29 per-participant treatment costs identified by the institute.

30 (6) \$1,537,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$1,537,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for expansion of the following
33 treatments and therapies in juvenile rehabilitation administration
34 programs identified by the Washington state institute for public policy
35 in its October 2006 report: "Evidence-Based Public Policy Options to
36 Reduce Future Prison Construction, Criminal Justice Costs and Crime
37 Rates": Multidimensional treatment foster care, family integrated
38 transitions, and aggression replacement training, or other programs

1 with a positive benefit-cost finding in the institute's report. The
2 administration may concentrate delivery of these treatments and
3 therapies at a limited number of programs to deliver the treatments in
4 a cost-effective manner.

5 (7)(a) The juvenile rehabilitation administration shall administer
6 a block grant, rather than categorical funding, of consolidated
7 juvenile service funds, community juvenile accountability act grants,
8 the chemical dependency disposition alternative funds, the mental
9 health disposition alternative, and the sentencing disposition
10 alternative for the purpose of serving youth adjudicated in the
11 juvenile justice system. In making the block grant, the juvenile
12 rehabilitation administration shall follow the following formula and
13 will prioritize evidence-based programs and disposition alternatives
14 and take into account juvenile courts program-eligible youth in
15 conjunction with the number of youth served in each approved evidence-
16 based program or disposition alternative: (i) Thirty-seven and one-
17 half percent for the at-risk population of youth ten to seventeen years
18 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
19 twenty-five percent for evidence-based program participation; (iv)
20 seventeen and one-half percent for minority populations; (v) three
21 percent for the chemical dependency disposition alternative; and (vi)
22 two percent for the mental health and sentencing dispositional
23 alternatives. Funding for the special sex offender disposition
24 alternative (SSODA) shall not be included in the block grant, but
25 allocated on the average daily population in juvenile courts. Funding
26 for the evidence-based expansion grants shall be excluded from the
27 block grant formula. Funds may be used for promising practices when
28 approved by the juvenile rehabilitation administration and juvenile
29 courts, through the community juvenile accountability act committee,
30 based on the criteria established in consultation with Washington state
31 institute for public policy and the juvenile courts.

32 (b) The juvenile rehabilitation administration shall phase the
33 implementation of the formula provided in subsection (1) of this
34 section by including a stop-loss formula of five percent in fiscal year
35 2012 and five percent in fiscal year 2013.

36 (c) The juvenile rehabilitation administration and the juvenile
37 courts shall establish a block grant funding formula oversight
38 committee with equal representation from the juvenile rehabilitation

1 administration and the juvenile courts. The purpose of this committee
2 is to assess the ongoing implementation of the block grant funding
3 formula, utilizing data-driven decision making and the most current
4 available information. The committee will be cochaired by the juvenile
5 rehabilitation administration and the juvenile courts, who will also
6 have the ability to change members of the committee as needed to
7 achieve its purpose. Initial members will include one juvenile court
8 representative from the finance committee, the community juvenile
9 accountability act committee, the risk assessment quality assurance
10 committee, the executive board of the Washington association of
11 juvenile court administrators, the Washington state center for court
12 research, and a representative of the superior court judges
13 association; two representatives from the juvenile rehabilitation
14 administration headquarters program oversight staff, two
15 representatives of the juvenile rehabilitation administration regional
16 office staff, one representative of the juvenile rehabilitation
17 administration fiscal staff and a juvenile rehabilitation
18 administration division director. The committee may make changes to
19 the formula categories other than the evidence-based program and
20 disposition alternative categories if it is determined the changes will
21 increase statewide service delivery or effectiveness of evidence-based
22 program or disposition alternative resulting in increased cost benefit
23 savings to the state. Long-term cost benefit must be considered.
24 Percentage changes may occur in the evidence-based program or
25 disposition alternative categories of the formula should it be
26 determined the changes will increase evidence-based program or
27 disposition alternative delivery and increase the cost benefit to the
28 state. These outcomes will also be considered in determining when
29 evidence-based expansion or special sex offender disposition
30 alternative funds should be included in the block grant or left
31 separate.

32 (d) The juvenile courts and administrative office of the courts
33 shall be responsible for collecting and distributing information and
34 providing access to the data systems to the juvenile rehabilitation
35 administration and the Washington state institute for public policy
36 related to program and outcome data. The juvenile rehabilitation
37 administration and the juvenile courts will work collaboratively to

1 develop program outcomes that reinforce the greatest cost benefit to
2 the state in the implementation of evidence-based practices and
3 disposition alternatives.

4 (8) The juvenile courts and administrative office of the courts
5 shall collect and distribute information related to program outcome and
6 provide access to these data systems to the juvenile rehabilitation
7 administration and Washington state institute for public policy.
8 Consistent with chapter 13.50 RCW, all confidentiality agreements
9 necessary to implement this information-sharing shall be approved
10 within 30 days of the effective date of this section. The agreements
11 between administrative office of the courts, the juvenile courts, and
12 the juvenile rehabilitation administration shall be executed to ensure
13 that the juvenile rehabilitation administration receives the data that
14 the juvenile rehabilitation administration identifies as needed to
15 comply with this subsection. This includes, but is not limited to,
16 information by program at the statewide aggregate level, individual
17 court level, and individual client level for the purpose of the
18 juvenile rehabilitation administration providing quality assurance and
19 oversight for the locally committed youth block grant and associated
20 funds and at times as specified by the juvenile rehabilitation
21 administration as necessary to carry out these functions. The data
22 shall be provided in a manner that reflects the collaborative work the
23 juvenile rehabilitation administration and juvenile courts have
24 developed regarding program outcomes that reinforce the greatest cost
25 benefit to the state in the implementation of evidence-based practices
26 and disposition alternatives.

27 (9) The Washington association of juvenile court administrators and
28 the juvenile rehabilitation administration, in consultation with the
29 community juvenile accountability act advisory committee and the
30 Washington state institute for public policy, shall analyze and review
31 data elements available from the administrative office of the courts
32 for possible integration into the evidence-based program quality
33 assurance plans and processes. The administrative office of the
34 courts, the Washington association of juvenile court administrators,
35 and the juvenile rehabilitation administration shall provide
36 information necessary to complete the review and analysis. The
37 Washington association of juvenile court administrators and the

1 juvenile rehabilitation administration shall report the findings of
2 their review and analysis, as well as any recommendations, to the
3 legislature by December 1, 2012.

4 **Sec. 1204.** 2012 2nd sp.s. c 7 s 204 (uncodified) is amended to
5 read as follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
7 **PROGRAM**

8 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

9	General Fund--State Appropriation (FY 2012)	\$317,734,000
10	General Fund--State Appropriation (FY 2013)	(\$324,319,000)
11		<u>\$321,609,000</u>
12	General Fund--Federal Appropriation	(\$449,593,000)
13		<u>\$446,619,000</u>
14	General Fund--Private/Local Appropriation	\$17,864,000
15	Hospital Safety Net Assessment Fund--State	
16	Appropriation	\$5,251,000
17	TOTAL APPROPRIATION	(\$1,114,761,000)
18		<u>\$1,109,077,000</u>

19 The appropriations in this subsection are subject to the following
20 conditions and limitations:

21 (a) \$109,342,000 of the general fund--state appropriation for
22 fiscal year 2012 and \$109,341,000 of the general fund--state
23 appropriation for fiscal year 2013 are provided solely for persons and
24 services not covered by the medicaid program. This is a reduction of
25 \$4,348,000 each fiscal year from the nonmedicaid funding that was
26 allocated for expenditure by regional support networks during fiscal
27 year 2011 prior to supplemental budget reductions. This \$4,348,000
28 reduction shall be distributed among regional support networks
29 proportional to each network's share of the total state population. To
30 the extent possible, levels of regional support network spending shall
31 be maintained in the following priority order: (i) Crisis and
32 commitment services; (ii) community inpatient services; and (iii)
33 residential care services, including personal care and emergency
34 housing assistance.

35 (b) \$6,590,000 of the general fund--state appropriation for fiscal
36 year 2012, \$6,590,000 of the general fund--state appropriation for
37 fiscal year 2013, and \$7,620,000 of the general fund--federal

1 appropriation are provided solely for the department and regional
2 support networks to continue to contract for implementation of high-
3 intensity programs for assertive community treatment (PACT) teams. In
4 determining the proportion of medicaid and nonmedicaid funding provided
5 to regional support networks with PACT teams, the department shall
6 consider the differences between regional support networks in the
7 percentages of services and other costs associated with the teams that
8 are not reimbursable under medicaid. The department may allow regional
9 support networks which have nonmedicaid reimbursable costs that are
10 higher than the nonmedicaid allocation they receive under this section
11 to supplement these funds with local dollars or funds received under
12 section 204(1)(a) of this act. The department and regional support
13 networks shall maintain consistency with all essential elements of the
14 PACT evidence-based practice model in programs funded under this
15 section.

16 (c) \$5,850,000 of the general fund--state appropriation for fiscal
17 year 2012, \$5,850,000 of the general fund--state appropriation for
18 fiscal year 2013, and \$1,300,000 of the general fund--federal
19 appropriation are provided solely for the western Washington regional
20 support networks to provide either community- or hospital campus-based
21 services for persons who require the level of care previously provided
22 by the program for adaptive living skills (PALS) at western state
23 hospital.

24 (d) The number of nonforensic beds allocated for use by regional
25 support networks at eastern state hospital shall be 192 per day. The
26 number of nonforensic beds allocated for use by regional support
27 networks at western state hospital shall be 557 per day.

28 (e) From the general fund--state appropriations in this subsection,
29 the secretary of social and health services shall assure that regional
30 support networks reimburse the aging and disability services
31 administration for the general fund--state cost of medicaid personal
32 care services that enrolled regional support network consumers use
33 because of their psychiatric disability.

34 (g) The department is authorized to continue to contract directly,
35 rather than through contracts with regional support networks, for
36 children's long-term inpatient facility services.

37 (h) \$750,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$750,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely to continue performance-based
2 incentive contracts to provide appropriate community support services
3 for individuals with severe mental illness who were discharged from the
4 state hospitals as part of the expanding community services initiative.
5 These funds will be used to enhance community residential and support
6 services provided by regional support networks through other state and
7 federal funding.

8 (i) \$1,125,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$1,125,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the Spokane regional support
11 network to implement services to reduce utilization and the census at
12 eastern state hospital. Such services shall include:

13 (i) High intensity treatment team for persons who are high
14 utilizers of psychiatric inpatient services, including those with co-
15 occurring disorders and other special needs;

16 (ii) Crisis outreach and diversion services to stabilize in the
17 community individuals in crisis who are at risk of requiring inpatient
18 care or jail services;

19 (iii) Mental health services provided in nursing facilities to
20 individuals with dementia, and consultation to facility staff treating
21 those individuals; and

22 (iv) Services at the sixteen-bed evaluation and treatment facility.

23 At least annually, the Spokane regional support network shall
24 assess the effectiveness of these services in reducing utilization at
25 eastern state hospital, identify services that are not optimally
26 effective, and modify those services to improve their effectiveness.

27 (j) \$1,529,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$1,529,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely to reimburse Pierce and Spokane
30 counties for the cost of conducting 180-day commitment hearings at the
31 state psychiatric hospitals.

32 (k) Regional support networks may use local funds to earn
33 additional federal medicaid match, provided the locally matched rate
34 does not exceed the upper-bound of their federally allowable rate
35 range, and provided that the enhanced funding is used only to provide
36 medicaid state plan or waiver services to medicaid clients.
37 Additionally, regional support networks may use a portion of the state
38 funds allocated in accordance with (a) of this subsection to earn

1 additional medicaid match, but only to the extent that the application
2 of such funds to medicaid services does not diminish the level of
3 crisis and commitment, community inpatient, residential care, and
4 outpatient services presently available to persons not eligible for
5 medicaid.

6 (l) Given the recent approval of federal medicaid matching funds
7 for the disability lifeline and the alcohol and drug abuse treatment
8 support act programs, the department shall charge regional support
9 networks for only the state share rather than the total cost of
10 community psychiatric hospitalization for persons enrolled in those
11 programs.

12 (m) \$750,000 of the general fund--state appropriation for fiscal
13 year 2012, \$750,000 of the general fund--state appropriation for fiscal
14 year 2013, and \$1,500,000 of the general fund--federal appropriation
15 are provided solely to adjust regional support network capitation rates
16 to account for the per diem rates actually paid for psychiatric care
17 provided at hospitals participating in the certified public expenditure
18 program operated pursuant to section 213 of this act.

19 (n) The appropriations in this section reflect efficiencies to be
20 achieved through voluntary consolidation of regional support networks
21 in accordance with Substitute House Bill No. 2139 (regional support
22 networks). Voluntary consolidation of regional support networks is
23 expected to result in administrative efficiencies and maximize dollars
24 available for direct services to individuals with mental illnesses
25 without corresponding increases in state appropriations.

26 (2) INSTITUTIONAL SERVICES

27	General Fund--State Appropriation (FY 2012)	\$115,017,000
28	General Fund--State Appropriation (FY 2013)	(\$112,603,000)
29		<u>\$118,883,000</u>
30	General Fund--Federal Appropriation	(\$153,618,000)
31		<u>\$152,917,000</u>
32	General Fund--Private/Local Appropriation	(\$67,325,000)
33		<u>\$64,555,000</u>
34	TOTAL APPROPRIATION	(\$448,563,000)
35		<u>\$451,372,000</u>

36 The appropriations in this subsection are subject to the following
37 conditions and limitations:

1 (a) The state psychiatric hospitals may use funds appropriated in
2 this subsection to purchase goods and supplies through hospital group
3 purchasing organizations when it is cost-effective to do so.

4 (b) \$231,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$231,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for a community partnership
7 between western state hospital and the city of Lakewood to support
8 community policing efforts in the Lakewood community surrounding
9 western state hospital. The amounts provided in this subsection (2)(b)
10 are for the salaries, benefits, supplies, and equipment for one full-
11 time investigator, one full-time police officer, and one full-time
12 community service officer at the city of Lakewood.

13 (c) \$45,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$45,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for payment to the city of
16 Lakewood for police services provided by the city at western state
17 hospital and adjacent areas.

18 (d) \$20,000,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$20,000,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely to maintain staffed capacity to
21 serve an average daily census in forensic wards at western state
22 hospital of 270 patients per day.

23 (e) The appropriations in this section reflect efficiencies to be
24 achieved through enactment of Substitute Senate Bill No. 6492
25 (competency to stand trial). These efficiencies are expected to enable
26 the hospitals to substantially increase the timeliness with which
27 evaluations of defendant competency to stand trial are completed, and
28 treatment to restore competency is initiated, without corresponding
29 increases in state appropriations.

30 (f) \$56,000 of the general fund--state appropriation for fiscal
31 year 2013 and \$52,000 of the general fund--federal appropriation are
32 provided solely for staffing costs associated with implementation of
33 Engrossed __ Second __ Substitute __ House __ Bill __ No. __ 2536 __ (children
34 services/delivery). The amounts provided in this subsection must be
35 used for coordinated evidence-based practice implementation amongst the
36 department's programs providing mental health, child welfare, and
37 juvenile justice services to children.

38 (3) SPECIAL PROJECTS

1	General Fund--State Appropriation (FY 2012)	\$1,148,000
2	General Fund--State Appropriation (FY 2013)	\$1,276,000
3	General Fund--Federal Appropriation	(\$4,198,000)
4		<u>\$5,198,000</u>
5	General Fund--Private/Local Appropriation	\$700,000
6	TOTAL APPROPRIATION	(\$7,322,000)
7		<u>\$8,322,000</u>

8 The appropriations in this subsection are subject to the following
9 conditions and limitations:

10 (a) \$1,161,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$1,161,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for children's evidence-based
13 mental health services. Funding is sufficient to continue serving
14 children at the same levels as fiscal year 2009.

15 (b) \$700,000 of the general fund--private/local appropriation is
16 provided solely for the University of Washington's evidence-based
17 practice institute which supports the identification, evaluation, and
18 implementation of evidence-based or promising practices for serving
19 children and youth with mental health disorders. The department shall
20 enter into an interagency agreement with the office of the attorney
21 general for expenditure of \$700,000 of the state's proceeds of the *cy*
22 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for
23 this purpose.

24 (c) \$135,000 of the general fund--state appropriation for fiscal
25 year 2013 and \$89,000 of the general fund--federal appropriation are
26 provided solely for the department to contract with the University of
27 Washington's evidence-based practice institute and the Washington state
28 institute for public policy to consult with the department and the
29 health care authority on the implementation of Engrossed Second
30 Substitute House Bill No. 2536 (children services/delivery). The
31 department's programs responsible for administration of mental health,
32 child welfare, and juvenile justice programs will coordinate with the
33 health care authority on the development of contract terms which
34 facilitate efforts to meet requirements of the bill. If Engrossed
35 Second Substitute House Bill No. 2536 (children services/delivery) is
36 not enacted by June 30, 2012, the amounts provided in this subsection
37 shall lapse.

38 (4) PROGRAM SUPPORT

1	General Fund--State Appropriation (FY 2012)	\$4,482,000
2	General Fund--State Appropriation (FY 2013)	(\$4,247,000)
3		<u>\$4,161,000</u>
4	General Fund--Federal Appropriation	(\$7,210,000)
5		<u>\$7,128,000</u>
6	General Fund--Private/Local Appropriation	\$446,000
7	TOTAL APPROPRIATION	(\$16,385,000)
8		<u>\$16,217,000</u>

9 (a) The appropriations in this subsection are subject to the
10 following conditions and limitations: In accordance with RCW
11 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to
12 increase license and certification fees in fiscal years 2012 and 2013
13 to support the costs of the regulatory program. The fee schedule
14 increases must be developed so that the maximum amount of additional
15 fees paid by providers statewide in the 2011-2013 fiscal biennium is
16 \$446,000. The department's fee schedule shall have differential rates
17 for providers with proof of accreditation from organizations that the
18 department has determined to have substantially equivalent standards to
19 those of the department, including but not limited to the joint
20 commission on accreditation of health care organizations, the
21 commission on accreditation of rehabilitation facilities, and the
22 council on accreditation. To reflect the reduced costs associated with
23 regulation of accredited programs, the department's fees for
24 organizations with such proof of accreditation must reflect the lower
25 costs of licensing for these programs than for other organizations
26 which are not accredited.

27 (b) \$19,000 of the general fund--state appropriation for fiscal
28 year 2012, \$17,000 of the general fund--state appropriation for fiscal
29 year 2013, and \$34,000 of the general fund--federal appropriation are
30 provided solely to support a partnership among the department of social
31 and health services, the department of health, and agencies that
32 deliver medical care and behavioral health services in Cowlitz county.
33 The partnership shall identify and recommend strategies for resolving
34 regulatory, licensing, data management, reporting, and funding barriers
35 to more effective integration of primary medical and behavioral health
36 care services in the county.

1 **Sec. 1205.** 2012 2nd sp.s. c 7 s 205 (uncodified) is amended to
2 read as follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
4 **DISABILITIES PROGRAM**

5 (1) COMMUNITY SERVICES

6	General Fund--State Appropriation (FY 2012)	\$405,412,000
7	General Fund--State Appropriation (FY 2013)	(\$420,327,000)
8		<u>\$412,363,000</u>
9	General Fund--Federal Appropriation	(\$752,059,000)
10		<u>\$745,710,000</u>
11	General Fund--Private/Local Appropriation	\$184,000
12	TOTAL APPROPRIATION	(\$1,577,982,000)
13		<u>\$1,563,669,000</u>

14 The appropriations in this subsection are subject to the following
15 conditions and limitations:

16 (a) Individuals receiving services as supplemental security income
17 (SSI) state supplemental payments shall not become eligible for medical
18 assistance under RCW 74.09.510 due solely to the receipt of SSI state
19 supplemental payments.

20 (b) Amounts appropriated in this subsection reflect a reduction to
21 funds appropriated for in-home care. The department shall reduce the
22 number of in-home hours authorized. The reduction shall be scaled
23 based on the acuity level of care recipients. The largest hour
24 reductions shall be to lower acuity patients and the smallest hour
25 reductions shall be to higher acuity patients.

26 (c) Amounts appropriated in this subsection are sufficient to
27 develop and implement the use of a consistent, statewide outcome-based
28 vendor contract for employment and day services by July 1, 2012. The
29 rates paid to vendors under this contract shall also be made
30 consistent. In its description of activities the agency shall include
31 activity listings and dollars appropriated for: Employment services,
32 day services, child development services and county administration of
33 services to the developmentally disabled. The department shall begin
34 reporting to the office of financial management on these activities
35 beginning in fiscal year 2010.

36 (d) \$944,000 of the general fund--state appropriation for fiscal
37 year 2012, \$944,000 of the general fund--state appropriation for fiscal
38 year 2013, and \$1,888,000 of the general fund--federal appropriation

1 are provided solely for state contributions for individual provider
2 health care benefits. Pursuant to the collective bargaining agreement
3 negotiated with the exclusive bargaining representative of individual
4 providers established under RCW 74.39A.270, the state shall contribute
5 to the multiemployer health benefits trust fund \$2.21 per paid hour
6 worked by individual providers.

7 (e) \$1,329,000 of the general fund--state appropriation for fiscal
8 year 2012, \$1,622,000 of the general fund--state appropriation for
9 fiscal year 2013, and \$2,947,000 of the general fund--federal
10 appropriation are provided solely for the state's contribution to the
11 training partnership, as provided in RCW 74.39A.360, for instructional
12 costs associated with the training of individual providers.
13 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
14 by all home care workers. Expenditures for the purposes specified in
15 this subsection shall not exceed the amounts provided in this
16 subsection. However, if the governor and the service employees
17 international union healthcare 775nw can reach agreement on repurposing
18 funding that is currently provided in the individual provider
19 collective bargaining agreement for new individual provider wages paid
20 during training or other training related items, then expenditures for
21 training trust contributions for individual providers may include the
22 amounts provided in this subsection and the agreed upon repurposed
23 funding. Funding in this section for purposes other than the
24 individual provider collective bargaining agreement cannot be used for
25 the purposes of this subsection (1)(e). It is the intent of the
26 legislature that the funding provided in this subsection, including any
27 repurposed funding, is sufficient to cover the costs of individual
28 provider training and therefore tuition or other entrance fees are not
29 necessary.

30 (f) \$104,669,000 of the general fund--state appropriation for
31 fiscal year 2013 and \$104,669,000 of the general fund--federal
32 appropriation are provided solely for the department to provide
33 personal care services to waiver and nonwaiver in-home clients. The
34 department shall provide the legislature with a report by December 5,
35 2012, on the feasibility of converting the medicaid personal care
36 program for in-home adults to a medicaid program as found in section
37 1915(i) of the federal social security act that utilizes the option for

1 self-direction of individualized budgets. The department shall operate
2 the personal care program within the amounts specifically provided.

3 (g)(i) Within the amounts appropriated in this subsection, the
4 department shall revise the current working age adult policy to allow
5 clients to choose between employment and community access activities.
6 Clients age 21 and older who are receiving services through a home- and
7 community-based medicaid waiver shall be offered the choice to
8 transition to a community access program after nine months of
9 enrollment in an employment program, and the option to transition from
10 a community access program to an employment program at any time. The
11 department shall inform clients and their legal representatives of all
12 available options for employment and day services. Information
13 provided to the client and the client's legal representative shall
14 include the types of activities each service option provides, and the
15 amount, scope, and duration of service for which the client would be
16 eligible under each service option. An individual client may be
17 authorized for only one service option, either employment services or
18 community access services. Clients may not participate in more than
19 one of these services at any given time.

20 (ii) The department shall work with counties and stakeholders to
21 strengthen and expand the existing community access program. The
22 program must emphasize support for the client so they are able to
23 participate in activities that integrate them into their community and
24 support independent living and skills.

25 (iii) The appropriation in this subsection includes funding to
26 provide employment or community access services to 168 medicaid
27 eligible young adults with developmental disabilities living with their
28 families who need employment opportunities and assistance after high
29 school graduation.

30 (h) \$75,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$75,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the restoration of direct
33 support to local organizations that utilize parent-to-parent networks
34 and communication to promote access and quality of care for individuals
35 with developmental disabilities and their families.

36 (i) In accordance with Engrossed Substitute House Bill No. 1277
37 (licensed settings for vulnerable adults), adult family home license

1 fees are increased in fiscal years 2012 and 2013 to support the costs
2 of conducting licensure, inspection, and regulatory programs.

3 (i) The current annual renewal license fee for adult family homes
4 shall be increased to \$100 per bed beginning in fiscal year 2012 and
5 \$175 per bed beginning in fiscal year 2013. Adult family homes shall
6 receive a corresponding vendor rate increase per medicaid patient day
7 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
8 amount necessary to fully fund the license fee increase for publicly
9 funded beds, pursuant to the most recent bed estimates maintained by
10 the department.

11 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750
12 shall be charged to each adult family home when the home is initially
13 licensed. This fee is nonrefundable.

14 (j) Clients with developmental disabilities have demonstrated a
15 need and a desire for a day services program as verified by over 900
16 clients currently accessing day programs through a long-term care
17 service model. In addition, every individual, to include those with a
18 developmental disability, should have the opportunity for meaningful
19 employment which allows them to contribute to their communities and to
20 become as self-sufficient as possible. Providing choice empowers
21 recipients of publicly funded services and their families by expanding
22 their degree of control over the services and supports they need.

23 The department shall work with legislators and stakeholders to
24 develop a new approach to employment and day services. The objective
25 of this plan is to ensure that adults with developmental disabilities
26 have optimum choices, and that employment and day offerings are
27 comprehensive enough to meet the needs of all clients currently served
28 on a home and community based waiver. The proposal shall be submitted
29 to the 2012 legislature for consideration and shall be constructed such
30 that a client ultimately receives employment, community access, or the
31 community day option but not more than one service at a time. The
32 proposal shall include options for program efficiencies within the
33 current employment and day structure and shall provide details on the
34 plan to implement a consistent, statewide outcome-based vendor contract
35 for employment and day services as specified in (c) of this subsection.

36 (2) INSTITUTIONAL SERVICES

37	General Fund--State Appropriation (FY 2012)	\$75,436,000
38	General Fund--State Appropriation (FY 2013)	(\$80,356,000)

1		<u>\$78,154,000</u>
2	General Fund--Federal Appropriation	((\$153,570,000))
3		<u>\$152,963,000</u>
4	General Fund--Private/Local Appropriation	\$22,043,000
5	TOTAL APPROPRIATION	((\$331,405,000))
6		<u>\$328,596,000</u>

7 The appropriations in this subsection are subject to the following
8 conditions and limitations:

9 (a) Individuals receiving services as supplemental security income
10 (SSI) state supplemental payments shall not become eligible for medical
11 assistance under RCW 74.09.510 due solely to the receipt of SSI state
12 supplemental payments.

13 (b) \$721,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$721,000 of the general fund--state appropriation for
15 fiscal year 2013 are for the department to fulfill its contracts with
16 the school districts under chapter 28A.190 RCW to provide
17 transportation, building space, and other support services as are
18 reasonably necessary to support the educational programs of students
19 living in residential habilitation centers.

20 (3) PROGRAM SUPPORT

21	General Fund--State Appropriation (FY 2012)	\$1,382,000
22	General Fund--State Appropriation (FY 2013)	((\$1,366,000))
23		<u>\$1,759,000</u>
24	General Fund--Federal Appropriation	((\$1,319,000))
25		<u>\$1,519,000</u>
26	TOTAL APPROPRIATION	((\$4,067,000))
27		<u>\$4,660,000</u>

28 (4) SPECIAL PROJECTS

29	General Fund--State Appropriation (FY 2012)	\$4,634,000
30	General Fund--State Appropriation (FY 2013)	((\$4,553,000))
31		<u>\$5,953,000</u>
32	General Fund--Federal Appropriation	((\$9,588,000))
33		<u>\$10,188,000</u>
34	General Fund--Private/Local Appropriation	\$998,000
35	TOTAL APPROPRIATION	((\$19,773,000))
36		<u>\$21,773,000</u>

1 The appropriations in this subsection are subject to the following
2 conditions and limitations:

3 Amounts appropriated in this subsection are for the purposes of
4 transitioning clients with developmental disabilities into community
5 settings. The department is authorized as needed to use these funds to
6 either pay for clients residing within a residential habilitation
7 center or for placements in the community. Pursuant to Second
8 Substitute Senate Bill No. 5459 (services for people with developmental
9 disabilities), funding in this subsection must be prioritized for the
10 purpose of facilitating the consolidation and closure of Frances Haddon
11 Morgan Center. The department shall use a person-centered approach in
12 developing the discharge plan to assess each resident's needs and
13 identify services the resident requires to successfully transition to
14 the community or another residential habilitation center. The
15 department is authorized to use any savings from this effort for the
16 purpose of developing community resources to address the needs of
17 clients with developmental disabilities who are in crisis or in need of
18 respite. The department shall track the costs and savings of closing
19 Frances Haddon Morgan Center and any investments into community
20 placements and resources. The department shall provide a fiscal
21 progress report to the legislature by December 5, 2011.

22 **Sec. 1206.** 2012 2nd sp.s. c 7 s 206 (uncodified) is amended to
23 read as follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
25 **SERVICES PROGRAM**

26	General Fund--State Appropriation (FY 2012)	\$791,493,000
27	General Fund--State Appropriation (FY 2013)	((\$809,338,000))
28		<u>\$802,039,000</u>
29	General Fund--Federal Appropriation	((\$1,690,993,000))
30		<u>\$1,685,572,000</u>
31	General Fund--Private/Local Appropriation	\$27,517,000
32	Traumatic Brain Injury Account--State Appropriation	\$3,388,000
33	Nursing Facility Quality Assurance Account--State	
34	Appropriation	\$88,000,000
35	TOTAL APPROPRIATION	((\$3,410,729,000))
36		<u>\$3,398,009,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) For purposes of implementing chapter 74.46 RCW, the weighted
4 average nursing facility payment rate shall not exceed \$170.37 for
5 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,
6 including the rate add-ons described in (a) and (b) of this subsection.
7 However, if the waiver requested from the federal centers for medicare
8 and medicaid services in relation to the safety net assessment created
9 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
10 for any reason not approved and implemented, the weighted average
11 nursing facility payment rate shall not exceed \$159.87 for fiscal year
12 2012 and shall not exceed \$160.93 for fiscal year 2013. There will be
13 no adjustments for economic trends and conditions in fiscal years 2012
14 and 2013. The economic trends and conditions factor or factors defined
15 in the biennial appropriations act shall not be compounded with the
16 economic trends and conditions factor or factors defined in any other
17 biennial appropriations acts before applying it to the component rate
18 allocations established in accordance with chapter 74.46 RCW. When no
19 economic trends and conditions factor for either fiscal year is defined
20 in a biennial appropriations act, no economic trends and conditions
21 factor or factors defined in any earlier biennial appropriations act
22 shall be applied solely or compounded to the component rate allocations
23 established in accordance with chapter 74.46 RCW.

24 (a) Within the funds provided, the department shall continue to
25 provide an add-on per medicaid resident day per facility not to exceed
26 \$1.57. The add-on shall be used to increase wages, benefits, and/or
27 staffing levels for certified nurse aides; or to increase wages and/or
28 benefits for dietary aides, housekeepers, laundry aides, or any other
29 category of worker whose statewide average dollars-per-hour wage was
30 less than \$15 in calendar year 2008, according to cost report data.
31 The add-on may also be used to address resulting wage compression for
32 related job classes immediately affected by wage increases to low-wage
33 workers. The department shall continue reporting requirements and a
34 settlement process to ensure that the funds are spent according to this
35 subsection.

36 (b) The department shall do a comparative analysis of the facility-
37 based payment rates calculated on July 1, 2012, using the payment
38 methodology defined in chapter 74.46 RCW and as funded in the omnibus

1 appropriations act, excluding the comparative add-on, acuity add-on,
2 and safety net reimbursement, to the facility-based payment rates in
3 effect June 30, 2010. If the facility-based payment rate calculated on
4 July 1, 2012, is smaller than the facility-based payment rate on June
5 30, 2010, then the difference shall be provided to the individual
6 nursing facilities as an add-on payment per medicaid resident day.

7 (c) During the comparative analysis performed in subsection (b) of
8 this section, if it is found that the direct care rate for any facility
9 calculated using the payment methodology defined in chapter 74.46 RCW
10 and as funded in the omnibus appropriations act, excluding the
11 comparative add-on, acuity add-on, and safety net reimbursement, is
12 greater than the direct care rate in effect on June 30, 2010, then the
13 facility shall receive a ten percent direct care rate add-on to
14 compensate that facility for taking on more acute clients than they
15 have in the past.

16 (d) The department shall provide a medicaid rate add-on to
17 reimburse the medicaid share of the skilled nursing facility safety net
18 assessment as a medicaid allowable cost. The nursing facility safety
19 net rate add-on may not be included in the calculation of the annual
20 statewide weighted average nursing facility payment rate.

21 (e) If the waiver requested from the federal centers for medicare
22 and medicaid services in relation to the safety net assessment created
23 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
24 for any reason not approved and implemented, (b), (c), and (d) of this
25 subsection do not apply.

26 (2) After examining actual nursing facility cost information, the
27 legislature finds that the medicaid nursing facility rates calculated
28 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home
29 payments) provide sufficient reimbursement to efficiently and
30 economically operating nursing facilities and bear a reasonable
31 relationship to costs.

32 (3) In accordance with chapter 74.46 RCW, the department shall
33 issue no additional certificates of capital authorization for fiscal
34 year 2012 and no new certificates of capital authorization for fiscal
35 year 2013 and shall grant no rate add-ons to payment rates for capital
36 improvements not requiring a certificate of need and a certificate of
37 capital authorization for fiscal years 2012 and 2013.

1 (4) The long-term care program may develop and pay enhanced rates
2 for exceptional care to nursing homes for persons with traumatic brain
3 injuries who are transitioning from hospital care. The cost per
4 patient day for caring for these clients in a nursing home setting may
5 be equal to or less than the cost of caring for these clients in a
6 hospital setting.

7 (5) Amounts appropriated in this section reflect a reduction to
8 funds appropriated for in-home care. The department shall reduce the
9 number of in-home hours authorized. The reduction shall be scaled
10 based on the acuity level of care recipients. The largest hour
11 reductions shall be to lower acuity patients and the smallest hour
12 reductions shall be to higher acuity patients.

13 (6) \$1,883,000 of the general fund--state appropriation for fiscal
14 year 2012, \$1,883,000 of the general fund--state appropriation for
15 fiscal year 2013, and \$3,766,000 of the general fund--federal
16 appropriation are provided solely for state contributions for
17 individual provider health care benefits. Pursuant to the collective
18 bargaining agreement negotiated with the exclusive bargaining
19 representative of individual providers established under RCW
20 74.39A.270, the state shall contribute to the multiemployer health
21 benefits trust fund \$2.21 per paid hour worked by individual providers.

22 (7) \$2,449,000 of the general fund--state appropriation for fiscal
23 year 2012, \$3,012,000 of the general fund--state appropriation for
24 fiscal year 2013, and \$5,463,000 of the general fund--federal
25 appropriation are provided solely for the state's contribution to the
26 training partnership, as provided in RCW 74.39A.360, for instructional
27 costs associated with the training of individual providers.
28 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
29 by all home care workers. Expenditures for the purposes specified in
30 this subsection shall not exceed the amounts provided in this
31 subsection. However, if the governor and the service employees
32 international union healthcare 775nw can reach agreement on repurposing
33 funding that is currently provided in the individual provider
34 collective bargaining agreement for new individual provider wages paid
35 during training or other training related items, then expenditures for
36 training trust contributions for individual providers may include the
37 amounts provided in this subsection and the agreed upon repurposed
38 funding. Funding in this section for purposes other than the

1 individual provider collective bargaining agreement cannot be used for
2 the purposes of this subsection (7). It is the intent of the
3 legislature that the funding provided in this subsection, including any
4 repurposed funding, is sufficient to cover the costs of individual
5 provider training and therefore tuition or other entrance fees are not
6 necessary.

7 (8) \$338,550,000 of the general fund--state appropriation for
8 fiscal year 2013 and \$338,550,000 of the general fund--federal
9 appropriation are provided solely for the department to provide
10 personal care services to waiver and nonwaiver in-home clients. The
11 department shall provide the legislature with a report by December 5,
12 2012, on the feasibility of converting the medicaid personal care
13 program for in-home adults to a medicaid program as found in section
14 1915(i) of the federal social security act that utilizes the option for
15 self-direction of individualized budgets. The department shall operate
16 the personal care program within the amounts specifically provided.

17 (9) Individuals receiving services as supplemental security income
18 (SSI) state supplemental payments shall not become eligible for medical
19 assistance under RCW 74.09.510 due solely to the receipt of SSI state
20 supplemental payments.

21 (10) The department shall eliminate the adult day health program
22 under the state plan 1915(i) option and shall reestablish it under the
23 long-term care home and community-based waiver.

24 (11) \$4,588,000 of the general fund--state appropriation for fiscal
25 year 2012, \$4,559,000 of the general fund--state appropriation for
26 fiscal year 2013, and \$9,237,000 of the general fund--federal
27 appropriation are provided solely for the continued operation of
28 community residential and support services for persons who are older
29 adults or who have co-occurring medical and behavioral disorders and
30 who have been discharged or diverted from a state psychiatric hospital.
31 These funds shall be used to serve individuals whose treatment needs
32 constitute substantial barriers to community placement, who no longer
33 require active psychiatric treatment at an inpatient hospital level of
34 care, and who no longer meet the criteria for inpatient involuntary
35 commitment.

36 (12) \$1,840,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$1,877,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for operation of the volunteer

1 services program. Funding shall be prioritized towards serving
2 populations traditionally served by long-term care services to include
3 senior citizens and persons with disabilities.

4 (13) In accordance with Engrossed Substitute House Bill No. 1277
5 (licensed settings for vulnerable adults), nursing facility fees are
6 increased in fiscal year 2012 and adult family home fees are increased
7 in fiscal year 2012 and fiscal year 2013 to support the costs of
8 conducting licensure, inspection, and regulatory programs.

9 (a) The current annual renewal license fee for nursing facilities
10 shall be increased to \$359 per bed beginning in fiscal year 2012 and
11 assumes \$517,000 of the general fund--private/local appropriation.
12 Nursing facilities shall receive a vendor rate increase of \$0.08 per
13 medicaid patient day to cover the license fee increase for publicly
14 funded beds.

15 (b) The current annual renewal license fee for adult family homes
16 shall be increased to \$100 per bed beginning in fiscal year 2012 and
17 assumes \$1,449,000 of the general fund--private/local appropriation;
18 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000
19 of the general fund--private/local appropriation. Adult family homes
20 shall receive a corresponding vendor rate increase per medicaid patient
21 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
22 amount necessary to fully fund the license fee increase for publicly
23 funded beds, pursuant to the most recent bed estimates maintained by
24 the department.

25 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall
26 be charged to each adult family home when the home is initially
27 licensed. This fee is nonrefundable.

28 (d) \$72,000 of the general fund--state appropriation for fiscal
29 year 2012, \$708,000 of the general fund--private/local appropriation
30 and \$708,000 of the general fund--federal appropriation are provided
31 solely to implement sections 501 through 503 of Engrossed Substitute
32 House Bill No. 1277 (licensed settings for vulnerable adults). The
33 department shall use additional investigative resources to address
34 complaints about provider practices as well as alleged abuse, neglect,
35 abandonment, and exploitation of residents in adult family homes. The
36 department shall develop a statewide internal quality review and
37 accountability program to improve the accountability of staff and the

1 consistent application of investigative activities, and shall convene
2 a quality assurance panel to review problems in the quality of care in
3 adult family homes.

4 (14) \$3,316,000 of the traumatic brain injury account--state
5 appropriation is provided solely to continue services for persons with
6 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011
7 (traumatic brain injury strategic partnership).

8 (15) The department is authorized to place long-term care clients
9 residing in nursing homes and paid for with state only funds into less
10 restrictive community care settings while continuing to meet the
11 client's care needs.

12 (16) The department shall participate in the work group established
13 by the department of corrections in section 220(2) of this act to
14 review release options for elderly and infirm offenders.

15 **Sec. 1207.** 2012 2nd sp.s. c 7 s 207 (uncodified) is amended to
16 read as follows:

17 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**
18 **PROGRAM**

19	General Fund--State Appropriation (FY 2012)	\$415,553,000
20	General Fund--State Appropriation (FY 2013)	((\$438,483,000))
21		<u>\$405,021,000</u>
22	General Fund--Federal Appropriation	((\$1,174,416,000))
23		<u>\$1,196,280,000</u>
24	General Fund--Private/Local Appropriation	\$30,592,000
25	TOTAL APPROPRIATION	((\$2,059,044,000))
26		<u>\$2,047,446,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations:

29 (1) \$195,410,000 of the general fund--state appropriation for
30 fiscal year 2012, ~~((\$235,808,000))~~ \$197,006,000 of the general
31 fund--state appropriation for fiscal year 2013, and ~~((\$725,586,000))~~
32 \$759,696,000 of the general fund--federal appropriation are provided
33 solely for all components of the WorkFirst program. Under section 2 of
34 Engrossed Substitute Senate Bill No. 5921 (social services programs),
35 the amounts in this subsection assume that any participant in the
36 temporary assistance for needy families where their participation is
37 suspended and does not volunteer to participate in WorkFirst services

1 or unsubsidized employment does not receive child care subsidies or
2 WorkFirst subsidies as a condition of the suspension. Within the
3 amounts provided for the WorkFirst program, the department may provide
4 assistance using state-only funds for families eligible for temporary
5 assistance for needy families.

6 (a) Within the amounts provided for WorkFirst in this subsection,
7 the department shall continue to implement WorkFirst program
8 improvements that are designed to achieve progress against outcome
9 measures specified in Engrossed House Bill No. 2262 (WorkFirst and
10 child care) and RCW 74.08A.410.

11 (b) The department may establish a career services work transition
12 program.

13 (c) Within amounts appropriated in this section, the legislature
14 expressly mandates that the department exercise its authority, granted
15 in 1997 under RCW 74.08A.290, to contract for work activities services
16 pursuant to that statutory authority and RCW 41.06.142(3).

17 (d) The department shall create a temporary assistance for needy
18 families budget structure that allows for more transparent tracking of
19 budget units and subunits of expenditures where these units and
20 subunits are mutually exclusive from other department budget units.
21 The budget structure shall include budget units for the following:
22 Grants, child care, WorkFirst activities, and administration of the
23 program.

24 (2) \$23,679,000 of the general fund--state appropriation for fiscal
25 year 2012, in addition to supplemental security income recoveries, is
26 provided solely for financial assistance and other services to
27 recipients in the program established in section 4, chapter 8, Laws of
28 2010 1st sp. sess., until the program terminates on October 31, 2011.

29 (3)(a) \$12,457,000 of the general fund--state appropriation for
30 fiscal year 2012 and \$21,959,000 of the general fund--state
31 appropriation for fiscal year 2013, in addition to supplemental
32 security income recoveries, are provided solely for the programs
33 created in Engrossed Substitute House Bill No. 2082 (essential needs
34 and assistance program) beginning November 1, 2011.

35 (b) The department shall review clients receiving services through
36 the aged, blind, or disabled assistance program, to determine whether
37 they would benefit from assistance in becoming naturalized citizens,

1 and thus be eligible to receive federal supplemental security income
2 benefits. Those cases shall be given high priority for naturalization
3 funding through the department.

4 (c) The department shall continue the interagency agreement with
5 the department of veterans' affairs to establish a process for referral
6 of veterans who may be eligible for veterans' services. This agreement
7 must include out-stationing department of veterans' affairs staff in
8 selected community service office locations in King and Pierce counties
9 to facilitate applications for veterans' services.

10 (4) \$1,657,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$1,657,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for naturalization services.

13 (5) \$2,366,000 of the general fund--state appropriation for fiscal
14 year 2012 is provided solely for refugee employment services, of which
15 \$1,774,000 is provided solely for the department to pass through to
16 statewide refugee assistance organizations for limited English
17 proficiency pathway services; and \$2,366,000 of the general fund--state
18 appropriation for fiscal year 2013 is provided solely for refugee
19 employment services, of which \$1,774,000 is provided solely for the
20 department to pass through to statewide refugee assistance
21 organizations for limited English proficiency pathway services.

22 (6) On December 1, 2011, and annually thereafter, the department
23 must report to the legislature on all sources of funding available for
24 both refugee and immigrant services and naturalization services during
25 the current fiscal year and the amounts expended to date by service
26 type and funding source. The report must also include the number of
27 clients served and outcome data for the clients.

28 (7) To ensure expenditures remain within available funds
29 appropriated in this section, the legislature establishes the benefit
30 under the state food assistance program, pursuant to RCW 74.08A.120, to
31 be fifty percent of the federal supplemental nutrition assistance
32 program benefit amount.

33 **Sec. 1208.** 2012 2nd sp.s. c 7 s 208 (uncodified) is amended to
34 read as follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
36 **SUBSTANCE ABUSE PROGRAM**

37 General Fund--State Appropriation (FY 2012) \$73,742,000

1	General Fund--State Appropriation (FY 2013)	(\$71,218,000)
2		<u>\$71,019,000</u>
3	General Fund--Federal Appropriation	(\$184,401,000)
4		<u>\$187,979,000</u>
5	General Fund--Private/Local Appropriation	(\$13,486,000)
6		<u>\$16,248,000</u>
7	Criminal Justice Treatment Account--State	
8	Appropriation	\$20,748,000
9	Problem Gambling Account--State Appropriation	\$1,448,000
10	TOTAL APPROPRIATION	(\$365,043,000)
11		<u>\$371,184,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) Within the amounts appropriated in this section, the department
15 may contract with the University of Washington and community-based
16 providers for the provision of the parent-child assistance program.
17 For all contractors, indirect charges for administering the program
18 shall not exceed ten percent of the total contract amount.

19 (2) Within the amounts appropriated in this section, the department
20 shall continue to provide for chemical dependency treatment services
21 for adult medicaid eligible, pregnant and parenting women, disability
22 lifeline, and alcoholism and drug addiction treatment and support act,
23 and medical care services clients.

24 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
25 department is authorized to increase fees for the review and approval
26 of treatment programs in fiscal years 2012 and 2013 as necessary to
27 support the costs of the regulatory program. The department's fee
28 schedule shall have differential rates for providers with proof of
29 accreditation from organizations that the department has determined to
30 have substantially equivalent standards to those of the department,
31 including but not limited to the joint commission on accreditation of
32 health care organizations, the commission on accreditation of
33 rehabilitation facilities, and the council on accreditation. To
34 reflect the reduced costs associated with regulation of accredited
35 programs, the department's fees for organizations with such proof of
36 accreditation must reflect the lower cost of licensing for these
37 programs than for other organizations which are not accredited.

1 (4) \$3,500,000 of the general fund--federal appropriation (from the
2 substance abuse prevention and treatment federal block grant) is
3 provided solely for the continued funding of existing county drug and
4 alcohol use prevention programs.

5 (5) Within amounts appropriated in this section, the department is
6 required to increase federal match available for intensive inpatient
7 services. During fiscal year 2013, the department shall shift
8 contracts for a minimum of 32 intensive inpatient beds currently
9 provided in settings that are considered institutions for mental
10 diseases to two or more facilities with no more than 16 beds that are
11 able to claim federal match for services provided to medicaid clients
12 or individuals covered under the department's section 1115 medicaid
13 waiver. The department is authorized to conduct a request for proposal
14 process to fulfill this requirement. By December 1, 2012, the
15 department shall provide a plan to the office of financial management
16 and to the relevant fiscal and policy committees of the legislature for
17 transitioning all remaining intensive inpatient beds currently provided
18 in settings that are considered institutions for mental diseases into
19 facilities with no more than 16 beds by June 2017. The plan shall
20 identify the maximum number of additional beds that can be transitioned
21 into facilities with no more than 16 beds during the 2013-2015 fiscal
22 biennium and the remaining number that will be transitioned during the
23 2015-2017 fiscal biennium, a timeline and process for accomplishing
24 this, and a projection of the related general fund--state savings for
25 each biennium.

26 (6) The amounts appropriated in this section include reductions of
27 \$303,000 in the general fund--state appropriation for fiscal year 2012
28 and \$1,815,000 in the general fund--state appropriation for fiscal year
29 2013. The department must apply this reduction across all levels of
30 chemical dependency residential treatment services excluding services
31 contracted through the counties, services provided to pregnant and
32 parenting women, services provided to juveniles, and services provided
33 to parents in dependency proceedings.

34 **Sec. 1209.** 2012 2nd sp.s. c 7 s 209 (uncodified) is amended to
35 read as follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**

1	Performance Audits of State Government--State	
2	Appropriation	\$4,812,000
3	TOTAL APPROPRIATION . . . . .	.((\$97,021,000))
4		<u>\$101,425,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations:

7 (1) \$300,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$300,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for the Washington state mentors
10 program to continue its public-private partnerships to provide
11 technical assistance and training to mentoring programs that serve
12 at-risk youth.

13 (2) \$445,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$445,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for funding of the teamchild
16 project.

17 (3) \$178,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$178,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for the juvenile detention
20 alternatives initiative.

21 (4) \$4,812,000 of the performance audits of state government--state
22 appropriation is provided solely for support and expansion of the
23 division of fraud investigation. The division shall conduct
24 investigatory and enforcement activities for all department programs,
25 including the child support and TANF programs.

26 (5) \$1,400,000 of the general fund--state appropriation for fiscal
27 year 2012 is provided solely for the department to distribute as
28 support to community public health and safety networks that have a
29 history of providing training and services related to adverse childhood
30 experiences. Distribution of these funds is contingent upon securing
31 funding from a private entity or entities to provide one dollar in
32 matching funds for each dollar in state funds received by a network so
33 that the funding received by a community public health and safety
34 network will be equal portions of state and private funding.

35 (~~(7)~~) (6) \$250,000 of the general fund--state appropriation for
36 fiscal year 2013 is provided solely for a grant program focused on
37 criminal street gang prevention and intervention. The Washington state
38 partnership council on juvenile justice may award grants under this

1 subsection. The council shall give priority to applicants who have
2 demonstrated the greatest problems with criminal street gangs.
3 Applicants composed of, at a minimum, one or more local governmental
4 entities and one or more nonprofit, nongovernmental organizations that
5 have a documented history of creating and administering effective
6 criminal street gang prevention and intervention programs may apply for
7 funding under this subsection.

8 ~~((+8))~~ (7) \$113,000 of the general fund--state appropriation for
9 fiscal year 2013 and \$105,000 of the general fund--federal
10 appropriation are provided solely for staffing costs associated with
11 implementation of Engrossed Second Substitute House Bill No. 2536
12 (children services/delivery). The amounts provided in this subsection
13 must be used for coordinated evidence-based practice implementation
14 amongst the department's programs providing mental health, child
15 welfare, and juvenile justice services to children. If Engrossed
16 Second Substitute House Bill No. 2536 (children services/delivery) is
17 not enacted by June 30, 2012, the amounts provided in this subsection
18 shall lapse.

19 **Sec. 1212.** 2012 2nd sp.s. c 7 s 212 (uncodified) is amended to
20 read as follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
22 **AGENCIES PROGRAM**

23	General Fund--State Appropriation (FY 2012)	\$62,140,000
24	General Fund--State Appropriation (FY 2013)	(((\$46,303,000))
25		<u>\$49,584,000</u>
26	General Fund--Federal Appropriation	(((\$53,049,000))
27		<u>\$53,409,000</u>
28	TOTAL APPROPRIATION	(((\$161,492,000))
29		<u>\$165,133,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations:

32 \$469,000 of the general fund--state appropriation for fiscal year
33 2011 and \$270,000 of the general fund--state appropriation for fiscal
34 year 2012 are provided solely for implementation of Engrossed
35 Substitute Senate Bill No. 5921 (social services programs). If the
36 bill is not enacted by June 30, 2011, the amounts provided in this
37 subsection shall lapse.

1 **Sec. 1213.** 2012 2nd sp.s. c 7 s 213 (uncodified) is amended to
2 read as follows:

3 **FOR THE STATE HEALTH CARE AUTHORITY**

4	General Fund--State Appropriation (FY 2012)	\$2,034,296,000
5	General Fund--State Appropriation (FY 2013)	((\$2,031,185,000))
6		<u>\$2,113,181,000</u>
7	General Fund--Federal Appropriation	((\$5,307,323,000))
8		<u>\$5,327,942,000</u>
9	General Fund--Private/Local Appropriation	((\$62,597,000))
10		<u>\$51,082,000</u>
11	Emergency Medical Services and Trauma Care Systems	
12	Trust Account--State Appropriation	((\$15,077,000))
13		<u>\$14,157,000</u>
14	Hospital Safety Net Assessment Fund--State	
15	Appropriation	((\$434,087,000))
16		<u>\$442,930,000</u>
17	State Health Care Authority Administration Account--	
18	State Appropriation	\$34,040,000
19	Basic Health Plan Stabilization Account--	
20	State Appropriation	\$44,000,000
21	Medical Aid Account--State Appropriation	\$529,000
22	Medicaid Fraud Penalty Account--State Appropriation	((\$9,200,000))
23		<u>\$9,408,000</u>
24	TOTAL APPROPRIATION	((\$9,972,334,000))
25		<u>\$10,071,565,000</u>

26 The appropriations in this section are subject to the following
27 conditions and limitations:

28 (1) ~~((The appropriations to the authority in this act shall be
29 expended for the purposes and in the amounts specified in this act. To
30 the extent that appropriations in this section are insufficient to fund
31 actual expenditures in excess of caseload forecasts and utilization
32 assumptions, the authority, after May 1, 2012, may transfer general
33 fund state appropriations for fiscal year 2012 that are provided
34 solely for a specified purpose. The authority shall not transfer
35 funds, and the director of financial management shall not approve the
36 transfer, unless the transfer is consistent with the objective of
37 conserving, to the maximum extent possible, the expenditure of state
38 funds. The director of financial management shall notify the~~

1 appropriate — fiscal — committees — of — the — senate — and — house — of
2 representatives in writing seven days prior to approving any allotment
3 modifications — or — transfers — under — this — subsection. — The — written
4 notification shall include a narrative explanation and justification of
5 the changes, along with expenditures and allotments by budget unit and
6 appropriation, both before and after any allotment modifications or
7 transfers.

8 (2)) Within amounts appropriated in this section and sections 205
9 and 206 of this act, the health care authority shall continue to
10 provide an enhanced basic health plan subsidy for foster parents
11 licensed under chapter 74.15 RCW and workers in state-funded home care
12 programs. Under this enhanced subsidy option, foster parents eligible
13 to participate in the basic health plan as subsidized enrollees and
14 home care workers with family incomes below 200 percent of the federal
15 poverty level shall be allowed to enroll in the basic health plan at
16 the minimum premium amount charged to enrollees with incomes below
17 sixty-five percent of the federal poverty level.

18 ((3)) (2) The health care authority shall require organizations
19 and individuals that are paid to deliver basic health plan services and
20 that choose to sponsor enrollment in the subsidized basic health plan
21 to pay 133 percent of the premium amount which would otherwise be due
22 from the sponsored enrollees.

23 ((4)) (3)(a) \$1,200,000 of the general fund--state appropriation
24 for fiscal year 2012 is provided solely to plan the implementation of
25 a system of consolidated public school employee health benefits
26 purchasing.

27 It is the intent of the legislature to improve the administration,
28 transparency, and equity in delivering a K-12 employees' health
29 benefits system. In addition, the legislature intends that any cost
30 savings that result from changes to K-12 health benefits be dedicated
31 to public schools.

32 To further this legislative intent, the state health care authority
33 shall develop a plan to implement a consolidated health benefits'
34 system for K-12 employees for the 2013-14 school year. The health care
35 authority shall deliver a report to the legislature by December 15,
36 2011, that sets forth the implementation plan to the ways and means
37 committees of the house of representatives and the senate.

1 (b) The report prepared by the health care authority shall compare
2 and contrast the costs and benefits, both long and short term, of:

- 3 (i) The current K-12 health benefits system;
- 4 (ii) A new K-12 employee benefits pool; and
- 5 (iii) Enrolling K-12 employees into the health benefits pool for
6 state employees.

7 (c) In addition to the implementation plan, the report shall
8 include the following information:

9 (i) The costs and benefits of the current K-12 health benefits
10 system;

11 (ii) The costs and benefits of providing a new statewide K-12
12 employees' health benefits pool to school districts and school
13 employees;

14 (iii) The costs and benefits of enrolling K-12 employees into the
15 existing health benefits pool for state employees;

16 (iv) Recommendations of ways to limit administrative duplication
17 and costs, improve transparency to employees, the legislature, and the
18 public and assure equity among beneficiaries of publicly provided
19 employee health benefits;

20 (v) Recommendations for standardizing benefit packages and
21 purchasing efforts in a manner that seeks to maximize funding and
22 equity for all school employees;

23 (vi) Recommendations regarding the use of incentives, including how
24 changes to state health benefit allocations could provide employees
25 with benefits that would encourage participation;

26 (vii) Recommendations regarding the implementation of a new K-12
27 employee benefit plan, with separate options for voluntary
28 participation and mandatory statewide participation;

29 (viii) Recommendations regarding methods to reduce inequities
30 between individual and family coverage;

31 (ix) Consolidation of the purchasing and budget accountability for
32 school employee benefits to maximize administrative efficiency and
33 leverage existing skills and resources; and

34 (x) Other details the health care authority deems necessary,
35 including but not limited to recommendations on the following:

36 (A) Approaches for implementing the transition to a statewide pool,
37 including administrative and statutory changes necessary to ensure a

1 successful transition, and whether the pool should be separate from, or
2 combined with, the public employees' benefits pool;

3 (B) The structure of a permanent governing group to provide ongoing
4 oversight to the consolidated pool, in a manner similar to the public
5 employees benefits board functions for employee health benefits,
6 including statutory duties and authorities of the board; and

7 (C) Options for including potential changes to: Eligibility
8 standardization, the public employees benefits risk pools, the movement
9 of school employee retirees into the new K-12 pool or pools, and the
10 movement of educational service district employees into the new K-12
11 pool or pools.

12 (d) In determining its costs and benefits of a new statewide K-12
13 employees' health benefits pool for school districts and school
14 employees, the health care authority shall assume the following:

15 (i) School district enrollees must constitute an entire bargaining
16 unit, or an entire group of nonrepresented employees;

17 (ii) Staffing and administration for benefits purchasing shall be
18 provided by the health care authority; and

19 (iii) The new K-12 pool would operate on a schedule that
20 coordinates with the financing and enrollment schedule used for school
21 districts.

22 (e) The office of the superintendent of public instruction and the
23 office of the insurance commissioner shall provide information and
24 technical assistance to the health care authority as requested by the
25 health care authority. The health care authority shall not implement
26 the new school employee benefits pool until authorized to do so by the
27 legislature.

28 ~~((+5))~~ (4) The administrator shall take at least the following
29 actions to assure that persons participating in the basic health plan
30 are eligible for the level of assistance they receive: (a) Require
31 submission of (i) income tax returns, and recent pay history, from all
32 applicants, or (ii) other verifiable evidence of earned and unearned
33 income from those persons not required to file income tax returns; (b)
34 check employment security payroll records at least once every twelve
35 months on all enrollees; (c) require enrollees whose income as
36 indicated by payroll records exceeds that upon which their subsidy is
37 based to document their current income as a condition of continued
38 eligibility; (d) require enrollees for whom employment security payroll

1 records cannot be obtained to document their current income at least
2 once every six months; (e) not reduce gross family income for self-
3 employed persons by noncash-flow expenses such as, but not limited to,
4 depreciation, amortization, and home office deductions, as defined by
5 the United States internal revenue service; and (f) pursue repayment
6 and civil penalties from persons who have received excessive subsidies,
7 as provided in RCW 70.47.060(9).

8 ~~((+6))~~ (5) Enrollment in the subsidized basic health plan shall be
9 limited to only include persons who qualify as subsidized enrollees as
10 defined in RCW 70.47.020 and who (a) qualify for services under 1115
11 medicaid demonstration project number 11-W-00254/10; or (b) are foster
12 parents licensed under chapter 74.15 RCW.

13 ~~((+7))~~ (6) \$23,700,000 of the general fund--federal appropriation
14 is provided solely for planning and implementation of a health benefit
15 exchange under the federal patient protection and affordable care act.
16 Within the amounts provided in this subsection, funds used by the
17 authority for information technology projects are conditioned on the
18 authority satisfying the requirements of Engrossed Second Substitute
19 Senate Bill No. 5931 (central service agencies).

20 ~~((+8))~~ (7) Based on quarterly expenditure reports and caseload
21 forecasts, if the health care authority estimates that expenditures for
22 the medical assistance program will exceed the appropriations, the
23 health care authority shall take steps including but not limited to
24 reduction of rates or elimination of optional services to reduce
25 expenditures so that total program costs do not exceed the annual
26 appropriation authority.

27 ~~((+9))~~ (8) In determining financial eligibility for medicaid-
28 funded services, the health care authority is authorized to disregard
29 recoveries by Holocaust survivors of insurance proceeds or other
30 assets, as defined in RCW 48.104.030.

31 ~~((+10))~~ (9) The legislature affirms that it is in the state's
32 interest for Harborview medical center to remain an economically viable
33 component of the state's health care system.

34 ~~((+11))~~ (10) When a person is ineligible for medicaid solely by
35 reason of residence in an institution for mental diseases, the health
36 care authority shall provide the person with the same benefits as he or
37 she would receive if eligible for medicaid, using state-only funds to
38 the extent necessary.

1 ~~((+12+))~~ (11) \$4,261,000 of the general fund--state appropriation
2 for fiscal year 2012, \$4,261,000 of the general fund--state
3 appropriation for fiscal year 2013, and \$8,522,000 of the general
4 fund--federal appropriation are provided solely for low-income
5 disproportionate share hospital payments under RCW 74.09.730(1)(a).

6 ~~((+13+))~~ (12) \$6,000,000 of the general fund--federal appropriation
7 is provided solely for supplemental payments to nursing homes operated
8 by public hospital districts. The public hospital district shall be
9 responsible for providing the required nonfederal match for the
10 supplemental payment, and the payments shall not exceed the maximum
11 allowable under federal rules. It is the legislature's intent that the
12 payments shall be supplemental to and shall not in any way offset or
13 reduce the payments calculated and provided in accordance with part E
14 of chapter 74.46 RCW. It is the legislature's further intent that
15 costs otherwise allowable for rate-setting and settlement against
16 payments under chapter 74.46 RCW shall not be disallowed solely because
17 such costs have been paid by revenues retained by the nursing home from
18 these supplemental payments. The supplemental payments are subject to
19 retrospective interim and final cost settlements based on the nursing
20 homes' as-filed and final medicare cost reports. The timing of the
21 interim and final cost settlements shall be at the health care
22 authority's discretion. During either the interim cost settlement or
23 the final cost settlement, the health care authority shall recoup from
24 the public hospital districts the supplemental payments that exceed the
25 medicaid cost limit and/or the medicare upper payment limit. The
26 health care authority shall apply federal rules for identifying the
27 eligible incurred medicaid costs and the medicare upper payment limit.

28 ~~((+14+))~~ (13) The health care authority shall continue the
29 inpatient hospital certified public expenditures program for the 2011-
30 2013 fiscal biennium. The program shall apply to all public hospitals,
31 including those owned or operated by the state, except those classified
32 as critical access hospitals or state psychiatric institutions. The
33 health care authority shall submit reports to the governor and
34 legislature by November 1, 2011, and by November 1, 2012, that evaluate
35 whether savings continue to exceed costs for this program. If the
36 certified public expenditures (CPE) program in its current form is no
37 longer cost-effective to maintain, the health care authority shall
38 submit a report to the governor and legislature detailing

1 cost-effective alternative uses of local, state, and federal resources
2 as a replacement for this program. During fiscal year 2012 and fiscal
3 year 2013, hospitals in the program shall be paid and shall retain one
4 hundred percent of the federal portion of the allowable hospital cost
5 for each medicaid inpatient fee-for-service claim payable by medical
6 assistance and one hundred percent of the federal portion of the
7 maximum disproportionate share hospital payment allowable under federal
8 regulations. Inpatient medicaid payments shall be established using an
9 allowable methodology that approximates the cost of claims submitted by
10 the hospitals. Payments made to each hospital in the program in each
11 fiscal year of the biennium shall be compared to a baseline amount.
12 The baseline amount will be determined by the total of (a) the
13 inpatient claim payment amounts that would have been paid during the
14 fiscal year had the hospital not been in the CPE program based on the
15 reimbursement rates developed, implemented, and consistent with
16 policies approved in the 2011-13 biennial operating appropriations act
17 and in effect on July 1, 2011, (b) one half of the indigent assistance
18 disproportionate share hospital payment amounts paid to and retained by
19 each hospital during fiscal year 2005, and (c) all of the other
20 disproportionate share hospital payment amounts paid to and retained by
21 each hospital during fiscal year 2005 to the extent the same
22 disproportionate share hospital programs exist in the 2011-13 biennium.
23 If payments during the fiscal year exceed the hospital's baseline
24 amount, no additional payments will be made to the hospital except the
25 federal portion of allowable disproportionate share hospital payments
26 for which the hospital can certify allowable match. If payments during
27 the fiscal year are less than the baseline amount, the hospital will be
28 paid a state grant equal to the difference between payments during the
29 fiscal year and the applicable baseline amount. Payment of the state
30 grant shall be made in the applicable fiscal year and distributed in
31 monthly payments. The grants will be recalculated and redistributed as
32 the baseline is updated during the fiscal year. The grant payments are
33 subject to an interim settlement within eleven months after the end of
34 the fiscal year. A final settlement shall be performed. To the extent
35 that either settlement determines that a hospital has received funds in
36 excess of what it would have received as described in this subsection,
37 the hospital must repay the excess amounts to the state when requested.
38 \$8,102,000 of the general fund--state appropriation for fiscal year

1 2012, of which \$6,570,000 is appropriated in section 204(1) of this
2 act, and (~~(\$3,162,000)~~) \$10,722,069 of the general fund--state
3 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated
4 in section 204(1) of this act, are provided solely for state grants for
5 the participating hospitals. CPE hospitals will receive the inpatient
6 and outpatient reimbursement rate restorations in RCW 74.60.080 and
7 rate increases in RCW 74.60.090 funded through the hospital safety net
8 assessment fund rather than through the baseline mechanism specified in
9 this subsection.

10 (~~(+15+)~~) (14) The health care authority shall seek public-private
11 partnerships and federal funds that are or may become available to
12 provide on-going support for outreach and education efforts under the
13 federal children's health insurance program reauthorization act of
14 2009.

15 (~~(+16+)~~) (15) The health care authority shall target funding for
16 maternity support services towards pregnant women with factors that
17 lead to higher rates of poor birth outcomes, including hypertension, a
18 preterm or low birth weight birth in the most recent previous birth, a
19 cognitive deficit or developmental disability, substance abuse, severe
20 mental illness, unhealthy weight or failure to gain weight, tobacco
21 use, or African American or Native American race. The health care
22 authority shall prioritize evidence-based practices for delivery of
23 maternity support services. To the extent practicable, the health care
24 authority shall develop a mechanism to increase federal funding for
25 maternity support services by leveraging local public funding for those
26 services.

27 (~~(+17+)~~) (16) For children with family incomes above 200 percent of
28 the federal poverty level in the state-funded children's health program
29 for children who are not eligible for coverage under the federally
30 funded children's health insurance program, premiums shall be set every
31 two years in an amount equal to the average state-only share of the per
32 capita cost of coverage in the state-funded children's health program
33 for children in families with incomes at or less than two hundred
34 percent of the federal poverty level.

35 (~~(+18+)~~) (17) Within the amounts appropriated in this section, the
36 health care authority shall provide disproportionate share hospital
37 payments to hospitals that provide services to children in the

1 children's health program who are not eligible for services under Title
2 XIX or XXI of the federal social security act due to their citizenship
3 status.

4 ~~((+19+))~~ (18) \$859,000 of the general fund--state appropriation for
5 fiscal year 2012, \$979,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$1,841,000 of the general fund--federal
7 appropriation are provided solely to increase prior authorization
8 activities for advanced imaging procedures.

9 ~~((+20+))~~ (19) \$196,000 of the general fund--state appropriation for
10 fiscal year 2012, \$246,000 of the general fund--state appropriation for
11 fiscal year 2013, and \$442,000 of the general fund--federal
12 appropriation are provided solely to increase prior authorization
13 activities for surgical procedures, which may include orthopedic
14 procedures, spinal procedures and interventions, and nerve procedures.

15 ~~((+21+))~~ (20) \$300,000 of the general fund--private/local
16 appropriation and \$300,000 of the general fund--federal appropriation
17 are provided solely for a prescriptive practices improvement
18 collaborative focusing upon atypical antipsychotics and other
19 medications commonly used in the treatment of severe and persistent
20 mental illnesses among adults. The project shall promote collaboration
21 among community mental health centers, other major prescribers of
22 atypical antipsychotic medications to adults enrolled in state medical
23 assistance programs, and psychiatrists, pharmacists, and other
24 specialists at the University of Washington department of psychiatry
25 and/or other research universities. The collaboration shall include
26 patient-specific prescriber consultations by psychiatrists and
27 pharmacists specializing in treatment of severe and persistent mental
28 illnesses among adults; production of profiles to assist prescribers
29 and clinics in tracking their prescriptive practices and their
30 patients' medication use and adherence relative to evidence-based
31 practices guidelines, other prescribers, and patients at other clinics;
32 and in-service seminars at which participants can share and increase
33 their knowledge of evidence-based and other effective prescriptive
34 practices. The health care authority shall enter into an interagency
35 agreement with the office of the attorney general for expenditure of
36 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*
37 *Washington v. AstraZeneca* (Seroquel) for this purpose.

1 ~~((+22+))~~ (21) \$570,000 of the general fund--private/local
2 appropriation is provided solely for continued operation of the
3 partnership access line for child mental health consultations. The
4 health care authority shall enter into an interagency agreement with
5 the office of the attorney general for expenditure of \$570,000 of the
6 state's proceeds of the *cy pres* settlement in *State of Washington v.*
7 *AstraZeneca* (Seroquel) for this purpose.

8 ~~((+23+))~~ (22) \$80,000 of the general fund--state appropriation for
9 fiscal year 2012, \$80,000 of the general fund--state appropriation for
10 fiscal year 2013, and \$160,000 of the general fund--federal
11 appropriation are provided solely to fund the Tacoma-Pierce county
12 health department for access and outreach activities to reduce infant
13 mortality.

14 ~~((+24+))~~ (23) \$75,000 of the general fund--state appropriation for
15 fiscal year 2012, \$75,000 of the general fund--state appropriation for
16 fiscal year 2013, and \$150,000 of the general fund--federal
17 appropriation are provided solely to assist with development and
18 implementation of evidence-based strategies regarding the appropriate,
19 safe, and effective role of C-section surgeries and early induced labor
20 in births and neonatal care. The strategies shall be identified and
21 implemented in consultation with clinical research specialists,
22 physicians, hospitals, advanced registered nurse practitioners, and
23 organizations concerned with maternal and child health.

24 ~~((+25+))~~ (24) Within the amounts appropriated in this section, the
25 health care authority shall continue to provide school-based medical
26 services by means of an intergovernmental transfer arrangement. Under
27 the arrangement, the state shall provide forty percent and school
28 districts sixty percent of the nonfederal matching funds required for
29 receipt of federal medicaid funding for the service.

30 ~~((+26+))~~ (25) \$263,000 of the general fund--state appropriation for
31 fiscal year 2012, \$88,000 of the general fund--state appropriation for
32 fiscal year 2013, and \$351,000 of the general fund--federal
33 appropriation are provided solely for development and submission to the
34 federal government by October 1, 2011, of a demonstration project
35 proposal as provided in Substitute Senate Bill No. 5596 (medicaid
36 demonstration waiver).

37 ~~((+27+))~~ (26) Within the amounts appropriated in this section, the
38 health care authority shall provide spoken-language interpreter

1 services. The authority shall develop and implement a new model for
2 delivery of such services no later than July 1, 2012. The model shall
3 include:

4 (a) Development by the authority in consultation with subject-area
5 experts of guidelines to assist medical practitioners identify the
6 circumstances under which it is appropriate to use telephonic or video-
7 remote interpreting;

8 (b) The requirement that the state contract with delivery
9 organizations, including foreign language agencies, who employ or
10 subcontract only with language access providers or interpreters working
11 in the state who are certified or authorized by the state. When a
12 state-certified or state-authorized in-state language access provider
13 or interpreter is not available, the delivery organization, including
14 foreign language agencies, may use a provider with other certifications
15 or qualifications deemed to meet state standards, including
16 interpreters in other states; and

17 (c) Provision of a secure, web-based tool that medical
18 practitioners will use to schedule appointments for interpreter
19 services and to identify the most appropriate, cost-effective method of
20 service delivery in accordance with the state guidelines.

21 Nothing in this subsection affects the ability of health care
22 providers to provide interpretive services through employed staff or
23 through telephone and video remote technologies when not reimbursed
24 directly by the department. The amounts in this subsection do not
25 include federal administrative funds provided to match nonstate
26 expenditures by local health jurisdictions and governmental hospitals.

27 ~~((+28+))~~ (27) In its procurement of contractors for delivery of
28 medical managed care services for nondisabled, nonelderly persons, the
29 medical assistance program shall (a) place substantial emphasis upon
30 price competition in the selection of successful bidders; and (b) not
31 require delivery of any services that would increase the actuarial cost
32 of service beyond the levels included in current healthy options
33 contracts.

34 ~~((+29+))~~ (28) \$1,430,000 of the general fund--state appropriation
35 for fiscal year 2012, \$1,430,000 of the general fund--state
36 appropriation for fiscal year 2013, and \$2,860,000 of the general
37 fund--federal appropriation are provided solely to pay
38 federally-designated rural health clinics their standard encounter rate

1 for prenatal and well-child visits, whether delivered under a managed
2 care contract or fee-for-service. In reconciling managed care
3 enhancement payments for calendar years 2009 and 2010, the department
4 shall treat well-child and prenatal care visits as encounters subject
5 to the clinic's encounter rate.

6 ~~((+30+))~~ (29) \$280,000 of the general fund--state appropriation for
7 fiscal year 2012 and \$282,000 of the general fund--federal
8 appropriation are provided solely to increase utilization management of
9 drugs and drug classes for which there is evidence of over-utilization,
10 off-label use, excessive dosing, duplicative therapy, or opportunities
11 to shift utilization to less expensive, equally effective formulations.

12 ~~((+31+))~~ (30) \$70,000 of the general fund--state appropriation for
13 fiscal year 2012, \$70,000 of the general fund--state appropriation for
14 fiscal year 2013, and \$140,000 of the general fund--federal
15 appropriation are provided solely to continue operation by a nonprofit
16 organization of a toll-free hotline that assists families to learn
17 about and enroll in the apple health for kids program.

18 ~~((+32+))~~ (31) \$400,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$400,000 of the general fund--state appropriation
20 for fiscal year 2013 is provided solely for the local outreach, case
21 management, and coordination with dental providers needed to execute
22 the access to baby and child dentistry program, which provides dental
23 care to Medicaid eligible children up to age six.

24 ~~((+33+))~~ (32) Within the amounts appropriated in this section, the
25 health care authority shall continue to provide dental services to
26 pregnant women. Services shall include preventive, routine, and
27 emergent dental care.

28 ~~((+34+))~~ (33) \$395,000 of the general fund--state appropriation for
29 fiscal year 2012, \$395,000 of the general fund--state appropriation for
30 fiscal year 2013, and \$790,000 of the general fund--federal
31 appropriation are provided solely for continued operation of the
32 dental education in care of persons with disabilities (DECOD) program
33 at the University of Washington.

34 ~~((+35+))~~ (34) \$159,000 of the general fund--state appropriation for
35 fiscal year 2012, \$302,000 of the general fund--private/local
36 appropriation, and \$146,072,000 of the general fund--federal
37 appropriation are provided solely for the provider incentive program
38 and other initiatives related to the health information technology

1 Medicaid plan. The general fund--private/local appropriation in this
2 subsection shall be funded with proceeds from settlements in the case
3 of *State of Washington vs. GlaxoSmithKline*. The authority and the
4 office of the attorney general shall enter an interagency agreement
5 regarding use of these funds.

6 ~~((+36+))~~ (35) \$2,926,000 of the general fund--local appropriation
7 and \$2,928,000 of the general fund--federal appropriation are provided
8 solely to support medical airlift services.

9 ~~((+37+))~~ (36) The authority shall collect data on enrollment and
10 utilization to study whether the expansion of family planning coverage
11 under Substitute Senate Bill No. 5912 is reducing state medical
12 expenditures by reducing unwanted pregnancies. The authority shall
13 report its findings to the legislature by December 1, 2012.

14 ~~((+38+))~~ (37) \$480,000 of the general fund--state appropriation for
15 fiscal year 2012, \$480,000 of the general fund--state appropriation for
16 fiscal year 2013, and \$824,000 of the general fund--federal
17 appropriation are provided solely for customer services staff. The
18 authority will attempt to improve the phone answer rate to 40 percent
19 and reduce the response times to written questions to ten days for
20 clients and 25 days for providers. The authority will report to the
21 legislature on its progress toward achieving these goals by January 1,
22 2012. If the authority has not achieved these goals by July 1, 2012,
23 then the authority shall reduce expenditures on management staff in
24 order to increase expenditures on customer service staff until the
25 goals are achieved.

26 ~~((+39+))~~ (38) The department shall purchase a brand name drug when
27 it determines that the cost of the brand name drug after rebates is
28 less than the cost of generic alternatives and that purchase of the
29 brand rather than generic version can save at least \$250,000. The
30 department may purchase generic alternatives when changes in market
31 prices make the price of the brand name drug after rebates more
32 expensive than the generic alternatives.

33 ~~((+41+))~~ (39) \$150,000 of the general fund--state appropriation for
34 fiscal year 2012 and \$1,964,000 of the general fund--state
35 appropriation for fiscal year 2013 are provided solely to implement
36 Engrossed Second Substitute House Bill No. 2319 (affordable care act).
37 If the bill is not enacted by June 30, 2012, the amounts provided in
38 this subsection shall lapse.

1 (~~(42)~~) (40) \$1,109,000 of the general fund--state appropriation
2 for fiscal year 2012, \$1,471,000 of the general fund--state
3 appropriation for fiscal year 2013, and \$21,890,000 of the general
4 fund--federal appropriation are provided solely to implement phase two
5 of the project to create a single provider payment system that
6 consolidates medicaid medical and social services payments and replaces
7 the social service payment system.

8 (~~(43)~~) (41) In order to achieve the twelve percent reduction in
9 emergency room expenditures in the fiscal year 2013 appropriations
10 provided in this section, the authority, in consultation with the
11 Washington state hospital association, the Washington state medical
12 association, and the Washington chapter of the American college of
13 emergency physicians shall designate best practices and performance
14 measures to reduce medically unnecessary emergency room visits of
15 medicaid clients. The Washington state hospital association, the
16 Washington state medical association, and the Washington chapter of the
17 American college of emergency physicians will work with the authority
18 to promote these best practices. The best practices and performance
19 measures shall consist of the following items:

20 (a) Adoption of a system to exchange patient information among
21 emergency room departments on a regional or statewide basis;

22 (b) Active dissemination of patient educational materials produced
23 by the Washington state hospital association, Washington state medical
24 association, and the Washington chapter of the American college of
25 emergency physicians that instruct patients on appropriate facilities
26 for nonemergent health care needs;

27 (c) Designation of hospital personnel and emergency room physician
28 personnel to receive and appropriately disseminate information on
29 clients participating in the medicaid patient review and coordination
30 program and to review monthly utilization reports on those clients
31 provided by the authority;

32 (d) A process to assist the authority's patient review and
33 coordination program clients with their care plans. The process must
34 include substantial efforts by hospitals to schedule an appointment
35 with the client's assigned primary care provider within seventy-two
36 hours of the client's medically unnecessary emergency room visit when
37 appropriate under the client's care plan;

1 (e) Implementation of narcotic guidelines that incorporate the
2 Washington chapter of the American college of emergency physician
3 guidelines;

4 (f) Physician enrollment in the state's prescription monitoring
5 program, as long as the program is funded; and

6 (g) Designation of a hospital emergency department physician
7 responsible for reviewing the state's medicaid utilization management
8 feedback reports, which will include defined performance measures. The
9 emergency department physician and hospital will have a process to take
10 appropriate action in response to the information in the feedback
11 reports if performance measures are not met. The authority must
12 develop feedback reports that include timely emergency room utilization
13 data such as visit rates, medically unnecessary visit rates (by
14 hospital and by client), emergency department imaging utilization
15 rates, and other measures as needed. The authority may utilize the
16 Robert Bree collaborative for assistance related to this best practice.

17 The requirements for best practices for a critical access hospital
18 should not include adoption of a system to exchange patient information
19 if doing so would pose a financial burden, and should not include
20 requirements related to the authority's patient review and coordination
21 program if the volume of those patients seen at the critical access
22 hospital are small.

23 Hospitals participating in this medicaid best practices program
24 shall submit to the authority a declaration from executive level
25 leadership indicating hospital adoption of and compliance with the best
26 practices enumerated above. In the declaration, hospitals will affirm
27 that they have in place written policies, procedures, or guidelines to
28 implement these best practices and are willing to share them upon
29 request. The declaration must also give consent for the authority to
30 disclose feedback reports and performance measures on its web site.
31 The authority shall submit a list of declaring hospitals to the
32 relevant policy and fiscal committees of the legislature by July 15,
33 2012.

34 If the authority does not receive by July 1, 2012, declarations
35 from hospitals representing at least seventy-five percent of emergency
36 room visits by medicaid clients in fiscal year 2010, the authority may
37 implement a policy of nonpayment of medically unnecessary emergency
38 room visits, with appropriate client and clinical safeguards such as

1 exemptions and expedited prior authorization. The authority shall by
2 January 15, 2013, perform a preliminary fiscal analysis of trends in
3 implementing the best practices in this subsection, focusing on outlier
4 hospitals with high rates of unnecessary visits by medicaid clients,
5 high emergency room visit rates for patient review and coordination
6 clients, low rates of completion of treatment plans for patient review
7 and coordination clients assigned to the hospital, and high rates of
8 prescribed long-acting opiates. In cooperation with the leadership of
9 the hospital, medical, and emergency physician associations, additional
10 efforts shall be focused on assisting those outlier hospitals and
11 providers to achieve more substantial savings. The authority by
12 January 15, 2013, will report to the legislature about whether assumed
13 savings based on preliminary trend and forecasted data are on target
14 and if additional best practices or other actions need to be
15 implemented.

16 If necessary, pursuant to RCW 34.05.350(1)(c), the authority may
17 employ emergency rulemaking to achieve the reductions assumed in the
18 appropriations under this section.

19 Nothing in this subsection shall in any way impact the authority's
20 ability to adopt and implement policies pertaining to the patient
21 review and coordination program.

22 ~~((46))~~ (42) The department shall seek a medicaid state plan
23 amendment to create a graduate medical education supplemental payment
24 for services delivered to managed care recipients by University of
25 Washington medicine and other public professional providers. This
26 program shall be effective as soon as administratively possible and
27 shall operate concurrently with the existing professional services
28 supplemental payment program. Providers that participate in the
29 graduate medical education supplemental payment program are not
30 eligible to participate in the professional services supplemental
31 payment program. The department shall apply federal rules for
32 identifying the difference between current physician encounter and fee-
33 for-service medicaid payments to participating providers and the
34 applicable federal upper payment limit. Participating providers shall
35 be solely responsible for providing the local funds required to obtain
36 federal matching funds. Any incremental costs incurred by the
37 department in the development, implementation, and maintenance of this
38 program shall be the responsibility of the participating providers.

1 Participating providers shall retain the full amount of supplemental
2 payments provided under this program, net of any costs related to the
3 program that are disallowed due to audits or litigation against the
4 state.

5 ~~((47))~~ (43) The authority shall exclude antiretroviral drugs used
6 to treat HIV/AIDS, anticancer medication that is used to kill or slow
7 the growth of cancerous cells, antihemophilic drugs, insulin and other
8 drugs to lower blood glucose, and immunosuppressive drugs from any
9 formulary limitations implemented to operate within the appropriations
10 provided in this section.

11 ~~((48))~~ (44) If Engrossed Substitute Senate Bill No. 5978
12 (medicaid fraud) is not enacted by June 30, 2012, the amounts
13 appropriated in this section from the medicaid fraud penalty account--
14 state appropriation shall lapse and an additional \$3,608,000 shall be
15 appropriated from the general fund--state for fiscal year 2013 for
16 medicaid services, fraud detection and prevention activities, recovery
17 of improper payments, and for other medicaid fraud enforcement
18 activities.

19 ~~((50))~~ (45) Within the amounts appropriated in this section, the
20 health care authority and the department of social and health services
21 shall implement the state option to provide health homes for enrollees
22 with chronic conditions under section 2703 of the federal affordable
23 care act. The total state match for enrollees who are dually-eligible
24 for both medicare and medicaid and not enrolled in managed care shall
25 be no more than the net savings to the state from the enhanced match
26 rate for its medicaid-only managed care enrollees under section 2703.

27 ~~((51))~~ (46) The health care authority shall not initiate any
28 services that require expenditure of state general fund moneys unless
29 expressly authorized in this act or other law. The health care
30 authority may seek, receive, and spend, under RCW 43.79.260 through
31 43.79.282, federal moneys not anticipated in this act as long as the
32 federal funding does not require expenditure of state moneys for the
33 program in excess of amounts anticipated in this act. If the health
34 care authority receives unanticipated unrestricted federal moneys,
35 those moneys shall be spent for services authorized in this act or in
36 any other legislation providing appropriation authority, and an equal
37 amount of appropriated state general fund moneys shall lapse. Upon the
38 lapsing of any moneys under this subsection, the office of financial

1 management shall notify the legislative fiscal committees. As used in
 2 this subsection, "unrestricted federal moneys" includes block grants
 3 and other funds that federal law does not require to be spent on
 4 specifically defined projects or matched on a formula basis by state
 5 funds.

6 ~~((+52+))~~ (47) \$66,000 of the general fund--state appropriation for
 7 fiscal year 2013 and \$66,000 of the general fund--federal appropriation
 8 are provided solely to implement Engrossed Second Substitute House Bill
 9 No. 2536 (children services/delivery). The department of social and
 10 health services' programs responsible for administration of mental
 11 health, child welfare, and juvenile justice programs will coordinate
 12 with the health care authority on the development of contract terms
 13 which facilitate efforts to meet requirements of the bill. If the bill
 14 is not enacted by June 30, 2012, the amounts provided in this
 15 subsection shall lapse.

16 ~~((+53+))~~ (48) The health care authority shall participate in the
 17 work group established by the department of corrections in section
 18 220(2) of this act to review release options for elderly and infirm
 19 offenders.

20 (49) The authority shall withdraw the medicaid state plan amendment
 21 to implement a wrap-around drug formulary.

22 **Sec. 1214.** 2012 2nd sp.s. c 7 s 216 (uncodified) is amended to
 23 read as follows:

24 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

25	General Fund--State Appropriation (FY 2012)	\$14,589,000
26	General Fund--State Appropriation (FY 2013)	((\$14,147,000))
27		<u>\$14,504,000</u>
28	General Fund--Federal Appropriation	\$456,000
29	General Fund--Private/Local Appropriation	((\$4,048,000))
30		<u>\$3,940,000</u>
31	Death Investigations Account--State Appropriation	\$148,000
32	Municipal Criminal Justice Assistance Account--	
33	State Appropriation	\$460,000
34	Washington Auto Theft Prevention Authority Account--	
35	State Appropriation	\$8,597,000
36	TOTAL APPROPRIATION	((\$42,445,000))
37		<u>\$42,694,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$5,000,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$5,000,000 of the general fund--state appropriation for
5 fiscal year 2013, are provided to the Washington association of
6 sheriffs and police chiefs solely to verify the address and residency
7 of registered sex offenders and kidnapping offenders under RCW
8 9A.44.130.

9 (2) \$321,000 of the general fund--local appropriation is provided
10 solely to purchase ammunition for the basic law enforcement academy.
11 Jurisdictions shall reimburse to the criminal justice training
12 commission the costs of ammunition, based on the average cost of
13 ammunition per cadet, for cadets that they enroll in the basic law
14 enforcement academy.

15 (3) The criminal justice training commission may not run a basic
16 law enforcement academy class of fewer than 30 students.

17 (4) \$100,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$100,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for a school safety program. The
20 commission, in collaboration with the school safety center advisory
21 committee, shall provide the school safety training for all school
22 administrators and school safety personnel hired after the effective
23 date of this section.

24 (5) \$96,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$96,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for the school safety center
27 within the commission. The safety center shall act as an information
28 dissemination and resource center when an incident occurs in a school
29 district in Washington or in another state, coordinate activities
30 relating to school safety, and review and approve manuals and curricula
31 used for school safety models and training. Through an interagency
32 agreement, the commission shall provide funding for the office of the
33 superintendent of public instruction to continue to develop and
34 maintain a school safety information web site. The school safety
35 center advisory committee shall develop and revise the training
36 program, using the best practices in school safety, for all school
37 safety personnel. The commission shall provide research-related

1 programs in school safety and security issues beneficial to both law
2 enforcement and schools.

3 (6) \$1,000,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,000,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for grants to counties enforcing
6 illegal drug laws and which have been underserved by federally funded
7 state narcotics task forces. The Washington association of sheriffs
8 and police chiefs, the Washington association of prosecuting attorneys,
9 and the Washington association of county officials shall jointly
10 develop funding allocations for the offices of the county sheriff,
11 county prosecutor, and county clerk in qualifying counties. The
12 commission shall not impose an administrative cost on this program.

13 **Sec. 1215.** 2012 2nd sp.s. c 7 s 218 (uncodified) is amended to
14 read as follows:

15 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

16 (1) HEADQUARTERS

17	General Fund--State Appropriation (FY 2012)	\$1,829,000
18	General Fund--State Appropriation (FY 2013)	\$1,801,000
19	Charitable, Educational, Penal, and Reformatory	
20	Institutions Account--State Appropriation	\$10,000
21	TOTAL APPROPRIATION	\$3,640,000

22 (2) FIELD SERVICES

23	General Fund--State Appropriation (FY 2012)	\$5,002,000
24	General Fund--State Appropriation (FY 2013)	\$4,964,000
25	General Fund--Federal Appropriation	\$3,348,000
26	General Fund--Private/Local Appropriation	(\$4,722,000)
27		<u>\$5,172,000</u>
28	Veterans Innovations Program Account--State	
29	Appropriation	\$810,000
30	Veteran Estate Management Account--Private/Local	
31	Appropriation	\$1,079,000
32	TOTAL APPROPRIATION	(\$19,925,000)
33		<u>\$20,375,000</u>

34 The appropriations in this subsection are subject to the following
35 conditions and limitations: \$821,000 of the veterans innovations
36 program account--state appropriation is provided solely for the
37 department to continue support for returning combat veterans through

1 the veterans innovation program, including emergency financial
2 assistance through the defenders' fund and long-term financial
3 assistance through the competitive grant program.

4 (3) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2012)	\$1,743,000
6	General Fund--Federal Appropriation	(\$61,437,000)
7		<u>\$60,109,000</u>
8	General Fund--Private/Local Appropriation	(\$29,506,000)
9		<u>\$30,569,000</u>
10	TOTAL APPROPRIATION	(\$92,686,000)
11		<u>\$92,331,000</u>

12 **Sec. 1216.** 2012 2nd sp.s. c 7 s 219 (uncodified) is amended to
13 read as follows:

14 **FOR THE DEPARTMENT OF HEALTH**

15	General Fund--State Appropriation (FY 2012)	\$79,404,000
16	General Fund--State Appropriation (FY 2013)	(\$78,114,000)
17		<u>\$77,589,000</u>
18	General Fund--Federal Appropriation	(\$553,078,000)
19		<u>\$573,078,000</u>
20	General Fund--Private/Local Appropriation	(\$148,055,000)
21		<u>\$144,055,000</u>
22	Hospital Data Collection Account--State Appropriation	\$214,000
23	Health Professions Account--State Appropriation	\$99,085,000
24	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account--State Appropriation	(\$12,300,000)
27		<u>\$10,523,000</u>
28	Safe Drinking Water Account--State Appropriation	\$4,464,000
29	Drinking Water Assistance Account--Federal	
30	Appropriation	\$21,965,000
31	Waterworks Operator Certification--State	
32	Appropriation	\$1,528,000
33	Drinking Water Assistance Administrative Account--	
34	State Appropriation	\$326,000
35	Site Closure Account--State Appropriation	\$79,000
36	Biotoxin Account--State Appropriation	(\$1,167,000)
37		<u>\$1,231,000</u>

1	State Toxics Control Account--State Appropriation	\$3,628,000
2	Medical Test Site Licensure Account--State	
3	Appropriation	\$2,311,000
4	Youth Tobacco Prevention Account--State	
5	Appropriation	((\$1,512,000))
6		<u>\$1,348,000</u>
7	Community and Economic Development Fee Account--State	
8	Appropriation	\$298,000
9	Public Health Supplemental Account--Private/Local	
10	Appropriation	\$3,598,000
11	Accident Account--State Appropriation	\$295,000
12	Medical Aid Account--State Appropriation	\$50,000
13	Tobacco Prevention and Control Account--State	
14	Appropriation	\$1,729,000
15	TOTAL APPROPRIATION	((\$1,013,804,000))
16		<u>\$1,027,402,000</u>

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) The department of health shall not initiate any services that
20 will require expenditure of state general fund moneys unless expressly
21 authorized in this act or other law. The department of health and the
22 state board of health shall not implement any new or amended rules
23 pertaining to primary and secondary school facilities until the rules
24 and a final cost estimate have been presented to the legislature, and
25 the legislature has formally funded implementation of the rules through
26 the omnibus appropriations act or by statute. The department may seek,
27 receive, and spend, under RCW 43.79.260 through 43.79.282, federal
28 moneys not anticipated in this act as long as the federal funding does
29 not require expenditure of state moneys for the program in excess of
30 amounts anticipated in this act. If the department receives
31 unanticipated unrestricted federal moneys, those moneys shall be spent
32 for services authorized in this act or in any other legislation that
33 provides appropriation authority, and an equal amount of appropriated
34 state moneys shall lapse. Upon the lapsing of any moneys under this
35 subsection, the office of financial management shall notify the
36 legislative fiscal committees. As used in this subsection,
37 "unrestricted federal moneys" includes block grants and other funds

1 that federal law does not require to be spent on specifically defined
2 projects or matched on a formula basis by state funds.

3 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
4 is authorized to establish and raise fees in fiscal year 2012 as
5 necessary to meet the actual costs of conducting business and the
6 appropriation levels in this section. This authorization applies to
7 fees required for: The review of health care facility construction;
8 review of health facility requests for certificate of need; the
9 regulation and inspection of farm worker housing, hospital licensing,
10 in-home health service agencies, and producers of radioactive waste;
11 the regulation and inspection of shellfish sanitary control, surgical
12 facility licensing, and; fees associated with the following
13 professions: Dietitians and nutritionists, occupational therapists,
14 pharmacy, veterinarian, orthotics and prosthetics, surgical
15 technicians, nursing home administrators, health care assistants,
16 hearing and speech, psychology, hypnotherapy, chiropractic, social
17 workers, physicians, and physician assistants.

18 (3) Pursuant to RCW 18.130.250, the department is authorized to
19 establish a lower cost fee category for retired licensed practical
20 nurses and registered nurses.

21 (4) In accordance with RCW 43.135.055, the department is authorized
22 to adopt fees set forth in and previously authorized in chapter 92,
23 Laws of 2010.

24 (5) \$1,969,000 of the health professions account--state
25 appropriation is provided solely to implement online licensing for
26 health care providers. The department must submit a detailed
27 investment plan for this project to the office of financial management.
28 The office of financial management must review and approve this plan
29 before funding may be expended. The department of health must
30 successfully implement online application and renewal for at least one
31 profession as a pilot project before pursuing additional professions.
32 The department must report to the office of financial management on the
33 outcome of the pilot project.

34 (6) \$16,000 of the health professions account--state appropriation
35 is provided solely for the implementation of House Bill No. 1181 (board
36 of naturopathy). If the bill is not enacted by June 30, 2011, the
37 amount provided in this subsection shall lapse.

1 (7) \$21,000 of the health professions account--state appropriation
2 is provided solely for the implementation of Substitute House Bill No.
3 1304 (health care assistants). If the bill is not enacted by June 30,
4 2011, the amount provided in this subsection shall lapse.

5 (8) \$54,000 of the health professions account--state appropriation
6 is provided solely for the implementation of House Bill No. 1353
7 (pharmacy technicians). If the bill is not enacted by June 30, 2011,
8 the amount provided in this subsection shall lapse.

9 (9) \$142,000 of the health professions account--state appropriation
10 is provided solely for the implementation of Engrossed Substitute
11 Senate Bill No. 5020 (social workers). If the bill is not enacted by
12 June 30, 2011, the amount provided in this subsection shall lapse.

13 (10) \$336,000 of the health professions account--state
14 appropriation is provided solely for the implementation of Senate Bill
15 No. 5480 (physicians and physician assistants). If the bill is not
16 enacted by June 30, 2011, the amount provided in this subsection shall
17 lapse.

18 (11) \$46,000 of the health professions account--state appropriation
19 is provided solely for the implementation of Substitute Senate Bill No.
20 5071 (online access for midwives and marriage and family therapists).
21 If the bill is not enacted by June 30, 2011, the amount provided in
22 this subsection shall lapse.

23 (12) \$137,000 of the health professions account--state
24 appropriation is provided solely for implementation of Substitute House
25 Bill No. 1133 (massage practitioner license). If the bill is not
26 enacted by June 30, 2011, the amount provided in this subsection shall
27 lapse.

28 (13) \$85,000 of the general fund--state appropriation for fiscal
29 year 2012 is provided solely for the developmental disabilities council
30 to contract for a family-to-family mentor program to provide
31 information and support to families and guardians of persons who are
32 transitioning out of residential habilitation centers. To the maximum
33 extent allowable under federal law, these funds shall be matched under
34 medicaid through the department of social and health services and
35 federal funds shall be transferred to the department for the purposes
36 stated in this subsection. If Second Substitute Senate Bill No. 5459
37 (people with developmental disabilities) is not enacted by June 30,
38 2011, the amounts provided in this subsection shall lapse.

1 (14) \$57,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$58,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the midwifery licensure and
4 regulatory program to offset a reduction in revenue from fees. There
5 shall be no change to the current annual fees for new or renewed
6 licenses for the midwifery program, except from online access to HEAL-
7 WA. The department shall convene the midwifery advisory committee on
8 a quarterly basis to address issues related to licensed midwifery.

9 (15) \$118,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$118,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for prevention of youth suicides.

12 (16) \$87,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$87,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for the senior falls prevention
15 program.

16 (17) \$19,000 of the health professions account--state appropriation
17 is provided solely for implementation of Senate Bill No. 6290 (military
18 spouses and partners). If the bill is not enacted by June 30, 2012,
19 the amount provided in this subsection shall lapse.

20 (18) \$102,000 of the health professions account--state
21 appropriation is provided solely for implementation of Engrossed
22 Substitute Senate Bill No. 6237 (career pathway/medical assistants).
23 If the bill is not enacted by June 30, 2012, the amount provided in
24 this subsection shall lapse.

25 (19) \$21,000 of the health professions account--state appropriation
26 is provided solely for implementation of Substitute Senate Bill No.
27 6328 (mental health professionals). If the bill is not enacted by June
28 30, 2012, the amount provided in this subsection shall lapse.

29 (20) \$61,000 of the health professions account--state appropriation
30 is provided solely for implementation of Engrossed Substitute Senate
31 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,
32 2012, the amount provided in this subsection shall lapse.

33 (21) \$28,000 of the health professions account--state appropriation
34 is provided solely for implementation of Engrossed Second Substitute
35 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is
36 not enacted by June 30, 2012, the amount provided in this subsection
37 shall lapse.

1 (22) Appropriations for fiscal year 2013 include funding for
2 consolidation of the department of ecology's low-level radioactive
3 waste site use permit program in the department of health.

4 (23) During the remainder of the 2011-2013 fiscal biennium, each
5 person subject to RCW 43.70.110(3)(c) is required to pay only one
6 surcharge of up to twenty-five dollars annually for the purposes of RCW
7 43.70.112, regardless of how many professional licenses the person
8 holds.

9 (24) \$15,000 of the health professions account--state appropriation
10 is provided solely to implement Substitute House Bill No. 2056
11 (assisted living facilities). If the bill is not enacted by June 30,
12 2012, the amount provided in this subsection shall lapse.

13 (25) \$11,000 of the health professions account--state appropriation
14 is provided solely to implement Engrossed House Bill No. 2186 (licensed
15 midwives). If the bill is not enacted by June 30, 2012, the amount
16 provided in this subsection shall lapse.

17 (26) \$11,000 of the general fund--state appropriation for fiscal
18 year 2013 is provided solely to implement Engrossed Substitute House
19 Bill No. 2229 (hospital employees). If the bill is not enacted by June
20 30, 2012, the amount provided in this subsection shall lapse.

21 (27) \$48,000 of the health professions account--state appropriation
22 is provided solely to implement Engrossed Substitute House Bill No.
23 2314 (long-term care workers). If the bill is not enacted by June 30,
24 2012, the amount provided in this subsection shall lapse.

25 (28) \$280,000 of the health professions account--state
26 appropriation is provided solely to implement Engrossed Substitute
27 House Bill No. 2366 (suicide assessment and training). If the bill is
28 not enacted by June 30, 2012, the amounts provided in this subsection
29 shall lapse.

30 (29) \$11,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely to implement Engrossed Substitute House
32 Bill No. 2582 (health care services billing). If the bill is not
33 enacted by June 30, 2012, the amount provided in this subsection shall
34 lapse.

35 (30) \$22,000 of the general fund--state appropriation for fiscal
36 year 2013 is provided solely to implement Substitute Senate Bill No.
37 6105 (prescription monitoring program). If the bill is not enacted by
38 June 30, 2012, the amount provided in this subsection shall lapse.

1 (31) \$30,000 of the health professions account--state appropriation
 2 is provided solely for implementation of Engrossed Substitute House
 3 Bill No. 2473 (medication assistant endorsement). If the bill is not
 4 enacted by June 30, 2012, the amount provided in this subsection shall
 5 lapse.

6 (32) General fund--state appropriations for fiscal year 2013
 7 includes funding to subsidize operating license and inspection fees in
 8 the temporary worker housing program. In implementing this subsidy,
 9 the department shall evaluate program regulations including but not
 10 limited to the use of occupancy levels to determine the fee structure
 11 and the frequency of inspections.

12 **Sec. 1217.** 2012 2nd sp.s. c 7 s 220 (uncodified) is amended to
 13 read as follows:

14 **FOR THE DEPARTMENT OF CORRECTIONS**

15 The appropriations to the department of corrections in this act
 16 shall be expended for the programs and in the amounts specified in this
 17 section. However, after May 1, (~~2012~~) 2013, after approval by the
 18 director of financial management and unless specifically prohibited by
 19 this act, the department may transfer general fund--state
 20 appropriations for fiscal year (~~2012~~) 2013 between programs. The
 21 department shall not transfer funds, and the director of financial
 22 management shall not approve the transfer, unless the transfer is
 23 consistent with the objective of conserving, to the maximum extent
 24 possible, the expenditure of state funds. The director of financial
 25 management shall notify the appropriate fiscal committees of the senate
 26 and house of representatives in writing seven days prior to approving
 27 any deviations from appropriation levels. The written notification
 28 shall include a narrative explanation and justification of the changes,
 29 along with expenditures and allotments by budget unit and
 30 appropriation, both before and after any allotment modifications or
 31 transfers.

32 (1) ADMINISTRATION AND SUPPORT SERVICES

33	General Fund--State Appropriation (FY 2012)	\$52,025,000
34	General Fund--State Appropriation (FY 2013)	((\$52,981,000))
35		<u>\$52,706,000</u>
36	TOTAL APPROPRIATION	((\$105,006,000))
37		<u>\$104,731,000</u>

1 The appropriations in this subsection are subject to the following
 2 conditions and limitations: \$35,000 of the general fund--state
 3 appropriation for fiscal year 2012 and \$35,000 of the general fund--
 4 state appropriation for fiscal year 2013 are provided solely for the
 5 support of a statewide council on mentally ill offenders that includes
 6 as its members representatives of community-based mental health
 7 treatment programs, current or former judicial officers, and directors
 8 and commanders of city and county jails and state prison facilities.
 9 The council will investigate and promote cost-effective approaches to
 10 meeting the long-term needs of adults and juveniles with mental
 11 disorders who have a history of offending or who are at-risk of
 12 offending, including their mental health, physiological, housing,
 13 employment, and job training needs.

14 (2) CORRECTIONAL OPERATIONS

15	General Fund--State Appropriation (FY 2012)	\$598,237,000
16	General Fund--State Appropriation (FY 2013)	(\$575,457,000)
17		<u>\$582,159,000</u>
18	General Fund--Federal Appropriation	\$3,324,000
19	Washington Auto Theft Prevention Authority Account--	
20	State Appropriation	(\$14,079,000)
21		<u>\$13,177,000</u>
22	Enhanced 911 Account--State Appropriation	\$2,000,000
23	TOTAL APPROPRIATION	(\$1,193,097,000)
24		<u>\$1,198,897,000</u>

25 The appropriations in this subsection are subject to the following
 26 conditions and limitations:

27 (a) During the 2011-13 biennium, when contracts are established or
 28 renewed for offender pay phone and other telephone services provided to
 29 inmates, the department shall select the contractor or contractors
 30 primarily based on the following factors: (i) The lowest rate charged
 31 to both the inmate and the person paying for the telephone call; and
 32 (ii) the lowest commission rates paid to the department, while
 33 providing reasonable compensation to cover the costs of the department
 34 to provide the telephone services to inmates and provide sufficient
 35 revenues for the activities funded from the institutional welfare
 36 betterment account.

1 (b) The Harborview medical center and the University of Washington
2 medical center shall provide inpatient and outpatient hospital services
3 to offenders confined in department of corrections facilities at a rate
4 no greater than the average rate that the department has negotiated
5 with other community hospitals in Washington state.

6 (c) \$102,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$102,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely to implement House Bill No. 1290
9 (health care employee overtime). If the bill is not enacted by June
10 30, 2011, the amounts provided in this subsection shall lapse.

11 (d) \$32,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$33,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely to implement Substitute House Bill
14 No. 1718 (offenders with developmental disabilities). If the bill is
15 not enacted by June 30, 2011, the amounts provided in this subsection
16 shall lapse.

17 (e) The department of corrections shall contract with local and
18 tribal governments for the provision of jail capacity to house
19 offenders. A contract shall not have a cost of incarceration in excess
20 of \$85 per day per offender. A contract shall not have a year-to-year
21 increase in excess of three percent per year. The contracts may
22 include rates for the medical care of offenders which exceed the daily
23 cost of incarceration and the limitation on year-to-year increase,
24 provided that medical payments conform to the department's offender
25 health plan, pharmacy formulary, and all off-site medical expenses are
26 preapproved by department utilization management staff.

27 (f) \$311,000 of the general fund--state appropriation for fiscal
28 year 2013 is provided solely for implementation of House Bill No. 2346
29 (correctional officer uniforms). If the bill is not enacted by June
30 30, 2012, the amount provided in this subsection shall lapse.

31 (g) \$41,000 of the general fund--state appropriation for fiscal
32 year 2012 and (~~(\$165,000)~~) \$501,000 of the general fund--state
33 appropriation for fiscal year 2013 are provided solely for the
34 department to maintain the facility, property, and assets at the
35 institution formerly known as the maple lane school in Rochester. The
36 department may not house incarcerated offenders at the maple lane site
37 until specifically directed by the legislature. By November 1, 2012,

1 the department shall report to the appropriate fiscal committees of the
2 house of representatives and the senate with a plan for the future use
3 of the facility.

4 (h) By December 1, 2012, the department shall provide to the
5 legislative fiscal committees a report that evaluates health care
6 expenditures in Washington state correctional institutions and makes
7 recommendations for controlling health care costs. The report shall
8 evaluate the source of health care costs, including offender health
9 issues, use of pharmaceuticals, offsite and specialist medical care,
10 chronic disease costs, and mental health issues. The department may
11 include information from other states on cost control in offender
12 health care, trends in offender health care that indicate potential
13 cost increases, and management of high-cost diagnoses.

14 (i) The department shall convene a work group to develop health
15 care cost containment strategies at local jail facilities. The work
16 group shall identify cost containment strategies in place at the
17 department and at local jail facilities, identify the costs and
18 benefits of implementing strategies in jail health-care facilities, and
19 make recommendations on implementing beneficial strategies. The work
20 group shall submit a report on its findings and recommendations to the
21 fiscal committees of the legislature by October 1, 2013. The work
22 group shall include jail administrators, representatives from health
23 care facilities at the local jail level and the state prisons level,
24 and other representatives as deemed necessary.

25 (j) The department of corrections, with participation of the health
26 care authority and the department of social and health services, aging
27 and adult services administration, shall establish a work group to
28 analyze and review release options for elderly and infirm offenders and
29 submit recommendations to the appropriate policy and fiscal committees
30 of the legislature with release options for these populations no later
31 than December 1, 2012. In making its recommendations, the work group
32 shall identify:

33 (i) The most expensive medical conditions for which the department
34 has had to treat its offenders and the offenders receiving the most
35 costly ongoing medical treatments;

36 (ii) For identified populations, the age, level of disability, cost
37 of care while incarcerated, safety issues related to release, ease of
38 placement, and time served in relation to the offender's sentence;

1 (iii) Potential cost savings to the state that may be generated by
2 the early release of elderly and infirm offenders;

3 (iv) Housing options to expedite the release of aging and infirm
4 offenders while maintaining the safety of housing providers, other
5 housing residents, and the general public; and

6 (v) Optimal procedures for reviewing offenders on a case-by-case
7 basis to ensure that the interests of justice and public safety are
8 considered in any early release decision.

9 (3) COMMUNITY SUPERVISION

10	General Fund--State Appropriation (FY 2012)	\$127,121,000
11	General Fund--State Appropriation (FY 2013)	(\$128,494,000)
12		<u>\$126,033,000</u>
13	Federal Narcotics Forfeiture Account--Federal	
14	Appropriation	\$372,000
15	Controlled Substances Account--State	
16	Appropriation	\$32,000
17	TOTAL APPROPRIATION	(\$256,019,000)
18		<u>\$253,558,000</u>

19 The appropriations in this subsection are subject to the following
20 conditions and limitations:

21 (a) \$875,000 of the general fund--state appropriation for fiscal
22 year 2012 is provided solely to implement Engrossed Substitute House
23 Bill No. 5891 (criminal justice cost savings). If the bill is not
24 enacted by June 30, 2011, the amount provided in this subsection shall
25 lapse.

26 (b) \$6,362,000 of the general fund--state appropriation for fiscal
27 year 2013 is provided solely to implement an evidence-based risk-needs-
28 responsivity model for community supervision of offenders.

29 (4) CORRECTIONAL INDUSTRIES

30	General Fund--State Appropriation (FY 2012)	\$2,513,000
31	General Fund--State Appropriation (FY 2013)	\$2,431,000
32	TOTAL APPROPRIATION	\$4,944,000

33 The appropriations in this subsection are subject to the following
34 conditions and limitations: \$66,000 of the general fund--state
35 appropriation for fiscal year 2012 is provided solely for transfer to
36 the jail industries board. The board shall use the amounts provided
37 only for administrative expenses, equipment purchases, and technical

1 assistance associated with advising cities and counties in developing,
2 promoting, and implementing consistent, safe, and efficient offender
3 work programs.

4 (5) INTERAGENCY PAYMENTS

5	General Fund--State Appropriation (FY 2012)	\$35,821,000
6	General Fund--State Appropriation (FY 2013)	(\$27,264,000)
7		<u>\$27,539,000</u>
8	TOTAL APPROPRIATION	(\$63,085,000)
9		<u>\$63,360,000</u>

10 The appropriations in this subsection are subject to the following
11 conditions and limitations:

12 (a) The state prison institutions may use funds appropriated in
13 this subsection to rent uniforms from correctional industries in
14 accordance with existing legislative mandates.

15 (b) The state prison medical facilities may use funds appropriated
16 in this subsection to purchase goods and supplies through hospital or
17 other group purchasing organizations when it is cost effective to do
18 so.

19 (c) The department shall reduce payments to the department of
20 information services or its successor by \$213,000 in fiscal year 2012
21 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall
22 be related to the elimination of the offender base tracking system,
23 including moving remaining portions of the offender base tracking
24 system into the offender management network information system.

25 **Sec. 1218.** 2012 2nd sp.s. c 7 s 221 (uncodified) is amended to
26 read as follows:

27 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

28	General Fund--State Appropriation (FY 2012)	\$2,159,000
29	General Fund--State Appropriation (FY 2013)	\$2,131,000
30	General Fund--Federal Appropriation	(\$19,239,000)
31		<u>\$19,739,000</u>
32	General Fund--Private/Local Appropriation	(\$30,000)
33		<u>\$105,000</u>
34	TOTAL APPROPRIATION	(\$23,559,000)
35		<u>\$24,134,000</u>

(End of part)

PART XIII
NATURAL RESOURCES

Sec. 1301. 2012 2nd sp.s. c 7 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2012)	\$37,143,000
General Fund--State Appropriation (FY 2013)	\$33,481,000
General Fund--Federal Appropriation	\$100,000,000
General Fund--Private/Local Appropriation	\$16,714,000
Special Grass Seed Burning Research Account--State	
Appropriation	\$3,000
Reclamation Revolving Account--State Appropriation	\$4,123,000
Flood Control Assistance Account--State	
Appropriation	\$1,929,000
State Emergency Water Projects Revolving Account--State	
Appropriation	\$270,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation	\$9,712,000
State Drought Preparedness Account--State	
Appropriation	\$204,000
State and Local Improvements Revolving Account	
(Water Supply Facilities)--State Appropriation	\$422,000
Aquatic Algae Control Account--State	
Appropriation	\$509,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$620,000
Wood Stove Education and Enforcement Account--State	
Appropriation	\$595,000
Worker and Community Right-to-Know Account--State	
Appropriation	\$1,655,000
Water Rights Processing Account--State Appropriation	\$135,000
State Toxics Control Account--State Appropriation	(\$130,865,000)
	<u>\$130,865,000</u>
State Toxics Control Account--Private/Local	
Appropriation	\$964,000
Local Toxics Control Account--State Appropriation	\$26,157,000

1	Water Quality Permit Account--State Appropriation	\$38,814,000
2	Underground Storage Tank Account--State	
3	Appropriation	\$3,212,000
4	Biosolids Permit Account--State Appropriation	\$1,791,000
5	Hazardous Waste Assistance Account--State	
6	Appropriation	\$5,793,000
7	Air Pollution Control Account--State Appropriation	\$2,541,000
8	Oil Spill Prevention Account--State Appropriation	\$5,489,000
9	Air Operating Permit Account--State Appropriation	\$2,711,000
10	Freshwater Aquatic Weeds Account--State	
11	Appropriation	\$1,698,000
12	Oil Spill Response Account--State Appropriation	\$7,076,000
13	Metals Mining Account--State Appropriation	\$14,000
14	Water Pollution Control Revolving Account--State	
15	Appropriation	\$608,000
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation	\$2,501,000
18	TOTAL APPROPRIATION	\$437,795,000

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) \$170,000 of the oil spill prevention account--state
22 appropriation is provided solely for a contract with the University of
23 Washington's sea grant program to continue an educational program
24 targeted to small spills from commercial fishing vessels, ferries,
25 cruise ships, ports, and marinas.

26 (2) Pursuant to RCW 43.135.055, the department is authorized to
27 increase the following fees as necessary to meet the actual costs of
28 conducting business and the appropriation levels in this section:
29 Wastewater discharge permit, not more than 4.34 percent in fiscal year
30 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not
31 more than 10 percent during the biennium; and air contaminate source
32 registration fee, not more than 36 percent during the biennium;
33 agricultural burning acreage and pile burning fees, not more than 25
34 percent and 100 percent respectively, in fiscal year 2013; and dam
35 safety and inspection fees, not more than 35 percent in fiscal year
36 2012 and 4.62 percent in fiscal year 2013. Any fee increase
37 implemented to offset general fund--state reductions in the 2011-2013
38 fiscal biennium may be made effective on or before July 1, 2012.

1 (3) If Substitute House Bill No. 1294 (Puget Sound corps) is not
2 enacted by June 30, 2011, \$322,000 of the general fund--state
3 appropriation for fiscal year 2012 and \$322,000 of the general fund--
4 state appropriation for fiscal year 2013 shall be transferred to the
5 department of natural resources.

6 (4) \$463,000 of the state toxics control account--state
7 appropriation is provided solely for implementation of Engrossed Second
8 Substitute House Bill No. 1186 (state's oil spill program). If the
9 bill is not enacted by June 30, 2011, the amount provided in this
10 subsection shall lapse.

11 (5) Pursuant to RCW 70.93.180(5), the appropriations in this
12 section from the waste reduction, recycling, and litter control account
13 shall only be expended on activities listed under RCW 70.93.180(1) (a)
14 and (b), and the department shall not expend appropriations on RCW
15 70.93.180(1)(c). The department may not spend waste reduction,
16 recycling, and litter control account funds to support the following
17 activities: The beyond waste plan, work on national solid waste
18 recycling issues, work on construction and demolition recycling and
19 green building alternatives, education programs including the green
20 schools initiative, and management of the 1-800-recycle hotline and
21 database on school awards. Waste reduction, recycling, and litter
22 account control funds must be prioritized to support litter pickup
23 using correctional crews, regulatory programs, and technical assistance
24 to local governments.

25 (6) The department shall make every possible effort through its
26 existing statutory authorities to obtain federal funding for public
27 participation grants regarding the Hanford nuclear reservation and
28 associated properties and facilities. Such federal funding shall not
29 limit the total state funding authorized under this section for public
30 participation grants made pursuant to RCW 70.105D.070(5), but the
31 amount of any individual grant from such federal funding shall be
32 offset against any grant award amount to an individual grantee from
33 state funds under RCW 70.105D.070(5).

34 (7) The department shall review its water rights application review
35 procedures to simplify the procedures, eliminate unnecessary steps, and
36 decrease the time required to issue decisions. The department shall
37 implement changes to improve water rights processing for which it has
38 current administrative authority. The department shall report on

1 reforms implemented and efficiencies achieved as demonstrated through
2 enhanced permit processing to the appropriate committees of the
3 legislature on December 1, 2011, and October 1, 2012.

4 (a) The department shall consult with key stakeholders on statutory
5 barriers to efficient water rights processing and effective water
6 management, including identification of obsolete, confusing, or
7 conflicting statutory provisions. The department shall report
8 stakeholder recommendations to appropriate committees of the
9 legislature by December 1, 2011, and October 1, 2012.

10 (b) \$500,000 of the general fund--state appropriation for fiscal
11 year 2013 is provided solely for processing water right permit
12 applications only if the department of ecology issues at least five
13 hundred water right decisions in fiscal year 2012, and if the
14 department of ecology does not issue at least five hundred water right
15 decisions in fiscal year 2012 the amount provided in this subsection
16 shall lapse and remain unexpended. The department of ecology shall
17 submit a report to the office of financial management and the state
18 treasurer by June 30, 2012, that documents whether five hundred water
19 right decisions were issued in fiscal year 2012. For the purposes of
20 this subsection, applications that are voluntarily withdrawn by an
21 applicant do not count towards the five hundred water right decision
22 requirement. For the purposes of water budget-neutral requests under
23 chapter 173-539A WAC, multiple domestic connections authorized within
24 a single water budget-neutral decision are considered one decision for
25 the purposes of this subsection.

26 (c) The department shall maintain an ongoing accounting of water
27 right applications received and acted on and shall post that
28 information to the department's internet site.

29 (8) \$1,075,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$1,075,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for processing the backlog of
32 pending water rights permit applications in the water resources
33 program.

34 (9) In accordance with RCW 43.135.055, the department is approved
35 to adopt fees set forth in and previously authorized by RCW 70.94.151,
36 gasoline vapor registration fee.

37 (10) Pursuant to House Bill No. 2304 (low-level waste), the

1 appropriations in this section for the low-level radioactive waste site
2 use permit program are for fiscal year 2012. Appropriations for fiscal
3 year 2013 are contained in section 219 of this act.

4 (11) Pursuant to RCW 90.16.090(2), the appropriations in this
5 section from the reclamation account--state appropriation shall be
6 expended for the activities listed in RCW 90.16.090(1), and the
7 expenditures need not be proportional to fee revenue sources.

8 (12) \$77,000 of the general fund--state appropriation for fiscal
9 year 2013 is provided solely for the implementation of Engrossed Second
10 Substitute Senate Bill No. 5343 (anaerobic digesters). If the bill is
11 not enacted by June 30, 2012, the amount provided in this subsection
12 shall lapse.

13 (~~(14)~~) (13) \$1,000,000 of the state toxics control account--state
14 appropriation is for the department to provide technical training
15 regarding the benefits of low-impact development including, but not
16 limited to, when the use of low-impact development is appropriate and
17 feasible, and the design, installation, maintenance, and best practices
18 of low-impact development. The department will consult with Washington
19 State University extension low-impact development technical center and
20 others in the development of the low-impact technical training. As
21 appropriate, the department may contract with the Washington State
22 University extension low-impact development technical center, private
23 sector vendors, associations, and others to deliver the technical
24 training. The technical training must be provided free of cost to
25 phase II permittees and the private development community including
26 builders, engineers, and other industry professionals. The training
27 must be sequenced geographically and provided in time for local
28 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5).

29 (~~(15)~~) (14) \$188,000 of the general fund--state appropriation for
30 fiscal year 2013 is provided solely for the implementation of Second
31 Engrossed Substitute Senate Bill No. 6406 (state natural resources).
32 If the bill is not enacted by June 30, 2012, the amount provided in
33 this subsection shall lapse.

34 **Sec. 1302.** 2012 2nd sp.s. c 7 s 303 (uncodified) is amended to
35 read as follows:

36 **FOR THE STATE PARKS AND RECREATION COMMISSION**
37 General Fund--State Appropriation (FY 2012) \$8,955,000

1 intended closure and provide an opportunity for the notified local
2 governments and nonprofit organizations to elect to acquire, or enter
3 into, a maintenance and operating contract with the commission that
4 would allow the park to remain open.

5 (5) The state parks and recreation commission, in cooperation with
6 the Fort Worden lifelong learning center public development authority
7 authorized under RCW 35.21.730 shall provide a report to the governor
8 and appropriate committees of the legislature no later than October 15,
9 2012, to create a lifelong learning center at Fort Worden state park.
10 This plan shall support and be based upon the Fort Worden state park
11 long-range plan adopted by the state parks and recreation commission in
12 September 2008. The report shall include a business and governance
13 plan and supporting materials that provide options and recommendations
14 on the long-term governance of Fort Worden state park, including
15 building maintenance and restoration. While the commission may
16 transfer full or partial operations to the public development authority
17 the state shall retain title to the property. The state parks and
18 recreation commission and the public development authority will agree
19 on the scope and content of the report including the business and
20 governance plan. In preparing this report the state parks and
21 recreation commission and the public development authority shall
22 provide ample opportunity for the public and stakeholders to
23 participate in the development of the business and governance plan.
24 The state parks and recreation commission shall review the report and
25 if it is consistent with the 2008 Fort Worden state park long-range
26 plan shall take action on a long-term governance and business plan no
27 later than December 31, 2012.

28 (6) Within the appropriations contained in this section, the
29 commission shall review the removal of trees from Brooks memorial state
30 park that have been killed or damaged by fire in order to determine the
31 recovery value from the sale of any timber that is surplus to the needs
32 of the park. The commission shall remove such trees, if the commission
33 determines that the recovery value from the sale of any timber is at
34 least cost neutral and the removal is in a manner consistent with RCW
35 79A.05.035.

36 **Sec. 1303.** 2012 2nd sp.s. c 7 s 307 (uncodified) is amended to
37 read as follows:

1 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

2 General Fund--State Appropriation (FY 2012) \$34,098,000

3 General Fund--State Appropriation (FY 2013) (~~(\$23,618,000)~~)

4 \$26,051,000

5 General Fund--Federal Appropriation (~~(\$105,481,000)~~)

6 \$105,725,000

7 General Fund--Private/Local Appropriation (~~(\$56,923,000)~~)

8 \$57,107,000

9 ORV and Nonhighway Vehicle Account--State Appropriation . . . \$391,000

10 Aquatic Lands Enhancement Account--State

11 Appropriation (~~(\$12,113,000)~~)

12 \$12,125,000

13 Recreational Fisheries Enhancement--State

14 Appropriation (~~(\$2,794,000)~~)

15 \$2,809,000

16 Warm Water Game Fish Account--State Appropriation . . . (~~(\$2,841,000)~~)

17 \$2,842,000

18 Eastern Washington Pheasant Enhancement Account--State

19 Appropriation \$849,000

20 Aquatic Invasive Species Enforcement Account--State

21 Appropriation \$204,000

22 Aquatic Invasive Species Prevention Account--State

23 Appropriation \$848,000

24 State Wildlife Account--State Appropriation (~~(\$100,742,000)~~)

25 \$95,241,000

26 Special Wildlife Account--State Appropriation \$2,382,000

27 Special Wildlife Account--Federal Appropriation \$500,000

28 Special Wildlife Account--Private/Local Appropriation . . . \$3,415,000

29 Wildlife Rehabilitation Account--State Appropriation \$259,000

30 Regional Fisheries Enhancement Salmonid Recovery

31 Account--Federal Appropriation \$5,001,000

32 Oil Spill Prevention Account--State Appropriation \$883,000

33 Oyster Reserve Land Account--State Appropriation \$919,000

34 Recreation Resources Account--State Appropriation \$3,300,000

35 Hydraulic Project Approval Account--State Appropriation . . . \$337,000

36 TOTAL APPROPRIATION (~~(\$357,900,000)~~)

37 \$355,286,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$294,000 of the aquatic lands enhancement account--state
4 appropriation is provided solely for the implementation of hatchery
5 reform recommendations defined by the hatchery scientific review group.

6 (2) \$355,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$355,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for the department to continue a
9 pilot project with the Confederated Tribes of the Colville Reservation
10 to develop expanded recreational fishing opportunities on Lake Rufus
11 Woods and its northern shoreline and to conduct joint enforcement of
12 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
13 state and tribal intergovernmental agreements developed under the
14 Columbia River water supply program. For the purposes of the pilot
15 project:

16 (a) A fishing permit issued to a nontribal member by the Colville
17 Tribes shall satisfy the license requirement of RCW 77.32.010 on the
18 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

19 (b) The Colville Tribes have agreed to provide to holders of its
20 nontribal member fishing permits a means to demonstrate that fish in
21 their possession were lawfully taken in Lake Rufus Woods;

22 (c) A Colville tribal member identification card shall satisfy the
23 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

24 (d) The department and the Colville Tribes shall jointly designate
25 fishing areas on the north shore of Lake Rufus Woods for the purposes
26 of enhancing access to the recreational fisheries on the lake; and

27 (e) The Colville Tribes have agreed to recognize a fishing license
28 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
29 member fishing permit requirements of Colville tribal law on the
30 reservation portion of the waters of Lake Rufus Woods and at designated
31 fishing areas on the north shore of Lake Rufus Woods;

32 (3) Prior to submitting its 2013-2015 biennial operating and
33 capital budget request related to state fish hatcheries to the office
34 of financial management, the department shall contract with the
35 hatchery scientific review group (HSRG) to review this request. This
36 review shall: (a) Determine if the proposed requests are consistent
37 with HSRG recommendations; (b) prioritize the components of the
38 requests based on their contributions to protecting wild salmonid

1 stocks and meeting the recommendations of the HSRG; and (c) evaluate
2 whether the proposed requests are being made in the most cost effective
3 manner. The department shall provide a copy of the HSRG review to the
4 office of financial management with their agency budget proposal.

5 (4) \$400,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$400,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for a state match to support the
8 Puget Sound nearshore partnership between the department and the U.S.
9 army corps of engineers.

10 (5) \$50,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$50,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for removal of derelict gear in
13 Washington waters.

14 (6) \$100,000 of the eastern Washington pheasant enhancement
15 account--state appropriation is provided solely for the department to
16 support efforts to enhance permanent and temporary pheasant habitat on
17 public and private lands in Grant, Franklin, and Adams counties. The
18 department may support efforts by entities including conservation
19 districts, nonprofit organizations, and landowners, and must require
20 such entities to provide significant nonstate matching resources, which
21 may be in the form of funds, material, or labor.

22 (7) Within the amounts appropriated in this section, the department
23 shall identify additional opportunities for partnerships in order to
24 keep fish hatcheries operational. Such partnerships shall aim to
25 maintain fish production and salmon recovery with less reliance on
26 state operating funds.

27 (8) By September 1, 2011, the department shall update its
28 interagency agreement dated September 30, 2010, with the department of
29 natural resources concerning land management services on the department
30 of fish and wildlife's wildlife conservation and recreation lands. The
31 update shall include rates and terms for services.

32 (9) Prior to opening game management unit 490 to public hunting,
33 the department shall complete an environmental impact statement that
34 includes an assessment of how public hunting activities will impact the
35 ongoing protection of the public water supply.

36 (10) \$18,514,000 of the state wildlife account--state appropriation
37 is provided solely for the implementation of Second Substitute Senate

1 Bill No. 5385 (state wildlife account). If the bill is not enacted by
2 June 30, 2011, the amount provided in this subsection shall lapse.

3 (11) (~~(\$9,418,000)~~) \$3,764,000 of the state wildlife account--state
4 appropriation is provided solely for the implementation of Second
5 Substitute Senate Bill No. 5622 (state land recreation access). If the
6 bill is not enacted by June 30, 2011, the amount provided in this
7 subsection shall lapse.

8 (12) \$50,000 of the state wildlife account--state appropriation is
9 provided solely for mitigation, claims, and assessment costs for injury
10 or loss of livestock caused by wolves, black bears, and cougars.

11 (13) \$552,000 of the aquatic lands enhancement account--state
12 appropriation is provided solely for increased law enforcement capacity
13 to reduce the occurrence of geoduck poaching and illegal harvest
14 activities. With these additional funds, the department shall deploy
15 two new fish and wildlife officers and one detective within Puget Sound
16 to address on-the-water and marketplace geoduck harvest compliance.

17 (14) \$337,000 of the hydraulic project approval--state
18 appropriation is provided solely for the implementation of Second
19 Engrossed Substitute Senate Bill No. 6406 (state natural resources).
20 If the bill is not enacted by June 30, 2012, the amount provided in
21 this subsection shall lapse.

22 **Sec. 1304.** 2012 2nd sp.s. c 7 s 308 (uncodified) is amended to
23 read as follows:

24 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

25	General Fund--State Appropriation (FY 2012)	\$30,907,000
26	General Fund--State Appropriation (FY 2013)	((\$35,791,000))
27		<u>\$67,782,000</u>
28	General Fund--Federal Appropriation	\$27,873,000
29	General Fund--Private/Local Appropriation	\$2,372,000
30	Forest Development Account--State Appropriation	((\$46,254,000))
31		<u>\$44,116,000</u>
32	ORV and Nonhighway Vehicle Account--State	
33	Appropriation	\$4,373,000
34	Surveys and Maps Account--State Appropriation	\$2,118,000
35	Aquatic Lands Enhancement Account--State	
36	Appropriation	\$69,000
37	Resources Management Cost Account--State	

1	Appropriation	\$90,131,000
2	Surface Mining Reclamation Account--State	
3	Appropriation	\$3,467,000
4	Disaster Response Account--State Appropriation	\$5,000,000
5	Forest and Fish Support Account--State Appropriation	\$9,784,000
6	Aquatic Land Dredged Material Disposal Site	
7	Account--State Appropriation	\$838,000
8	Natural Resources Conservation Areas Stewardship	
9	Account--State Appropriation	\$34,000
10	State Toxics Control Account--State Appropriation	\$80,000
11	Air Pollution Control Account--State Appropriation	\$540,000
12	NOVA Program Account--State Appropriation	\$635,000
13	Derelict Vessel Removal Account--State Appropriation	\$1,761,000
14	Agricultural College Trust Management Account--State	
15	Appropriation	\$1,848,000
16	Forest Practices Application Account--State Appropriation	\$780,000
17	Marine Resources Stewardship Trust Account--State	
18	Appropriation	\$2,100,000
19	TOTAL APPROPRIATION	(\$262,782,000)
20		<u>\$296,608,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) \$710,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$915,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for deposit into the agricultural
26 college trust management account and are provided solely to manage
27 approximately 70,700 acres of Washington State University's
28 agricultural college trust lands.

29 (2) \$8,030,000 of the general fund--state appropriation for fiscal
30 year 2012, ~~(\$10,037,000)~~ \$43,737,000 of the general fund--state
31 appropriation for fiscal year 2013, and \$5,000,000 of the disaster
32 response account--state appropriation are provided solely for emergency
33 fire suppression. None of the general fund and disaster response
34 account amounts provided in this subsection may be used to fund agency
35 indirect and administrative expenses. Agency indirect and
36 administrative costs shall be allocated among the agency's remaining
37 accounts and appropriations. The department of natural resources shall
38 submit a quarterly report to the office of financial management and the

1 legislative fiscal committees detailing information on current and
2 planned expenditures from the disaster response account. This work
3 shall be done in coordination with the military department.

4 (3) \$4,500,000 of the forest and fish support account--state
5 appropriation is provided solely for outcome-based, performance
6 contracts with tribes to participate in the implementation of the
7 forest practices program. Contracts awarded in fiscal year 2013 may
8 only contain indirect costs set at or below the rate in the contracting
9 tribe's indirect cost agreement with the federal government. If
10 federal funding for this purpose is reinstated, the amount provided in
11 this subsection shall lapse.

12 (4) \$518,000 of the forest and fish support account--state
13 appropriation is provided solely for outcome-based performance
14 contracts with nongovernmental organizations to participate in the
15 implementation of the forest practices program. Contracts awarded in
16 fiscal year 2013 may only contain indirect cost set at or below a rate
17 of eighteen percent.

18 (5) During the 2011-2013 fiscal biennium, \$717,000 of the forest
19 and fish support account--state appropriation is provided solely to
20 fund interagency agreements with the department of ecology and the
21 department of fish and wildlife as part of the adaptive management
22 process.

23 (6) \$1,000,000 of the general fund--federal appropriation and
24 \$1,000,000 of the forest and fish support account--state appropriation
25 are provided solely for continuing scientific studies already underway
26 as part of the adaptive management process. Funds may not be used to
27 initiate new studies unless the department secures new federal funding
28 for the adaptive management process.

29 (7) The department is authorized to increase the silviculture
30 burning permit fee in the 2011-2013 biennium by up to eighty dollars
31 plus fifty cents per ton for each ton of material burned in excess of
32 one hundred tons.

33 (8) \$440,000 of the state general fund--state appropriation for
34 fiscal year 2012 and \$440,000 of the state general fund--state
35 appropriation for fiscal year 2013 are provided solely for forest work
36 crews that support correctional camps and are contingent upon
37 continuing operations of Naselle youth camp.

1 (9) By September 1, 2011, the department shall update its
2 interagency agreement dated September 30, 2010, with the department of
3 fish and wildlife concerning land management services on the department
4 of fish and wildlife's wildlife conservation and recreation lands. The
5 update shall include rates and terms for services.

6 (10) In partnership with the department of ecology, the departments
7 shall deliver a report to the governor, the appropriate committees of
8 the legislature, and the forest practices board by September 1, 2012,
9 documenting forest practices adaptive management program reforms
10 implemented, or recommended, that streamline existing processes to
11 increase program efficiencies and effectiveness. The departments shall
12 collaborate with interested adaptive management program participants in
13 the development of the report.

14 (11)(a) \$2,100,000 of the marine resources stewardship account--
15 state appropriation is provided solely for the implementation of
16 chapter 252, Laws of 2012 (marine management planning) and 43.372 RCW.
17 The department will work with the marine interagency team, tribes, and
18 the Washington state marine resource committee to develop a spending
19 plan consistent with the priorities in chapter 252, Laws of 2012, for
20 conducting ecosystem assessments and mapping activities related to
21 marine resources use and potential economic development, developing
22 marine management plans for the state's coastal waters, and otherwise
23 aiding in the implementation of marine planning in the state. As
24 appropriate, the team shall develop a competitive process for projects
25 to be funded by the department in fiscal year 2013.

26 (b) The department, in consultation with the marine interagency
27 team, shall submit to the office of financial management and the
28 appropriate legislative committees by September 1, 2012, a prioritized
29 list of projects and activities for funding consideration through the
30 marine resources stewardship account in the 2013-2015 fiscal biennium.

31 ~~((13))~~ (12) \$780,000 of the forest practices application
32 account--state appropriation, \$18,000 of the forest development
33 account--state appropriation, \$23,000 of the resources management cost
34 account--state appropriation, and \$2,000 of the surface mining
35 reclamation account--state appropriation are provided solely for the
36 implementation of Second Engrossed Substitute Senate Bill No. 6406
37 (state natural resources). If the bill is not enacted by June 30,
38 2012, the amounts provided in this subsection shall lapse.

1 **Sec. 1305.** 2012 2nd sp.s. c 7 s 311 (uncodified) is amended to
2 read as follows:

3 **FOR THE PUGET SOUND PARTNERSHIP**

4	General Fund--State Appropriation (FY 2012)	\$2,273,000
5	General Fund--State Appropriation (FY 2013)	\$2,253,000
6	General Fund--Federal Appropriation	\$12,428,000
7	General Fund--Private/Local Appropriation	\$25,000
8	Aquatic Lands Enhancement Account--State	
9	Appropriation	\$493,000
10	State Toxics Control Account--State Appropriation	\$658,000
11	TOTAL APPROPRIATION	\$18,130,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) (~~(\$665,000)~~) \$658,000 of the state toxics control account--
15 state appropriation is provided solely for activities that contribute
16 to Puget Sound protection and recovery, including provision of
17 independent advice and assessment of the state's oil spill prevention,
18 preparedness, and response programs, including review of existing
19 activities and recommendations for any necessary improvements. The
20 partnership may carry out this function through an existing committee,
21 such as the ecosystem coordination board or the leadership council, or
22 may appoint a special advisory council. Because this is a unique
23 statewide program, the partnership may invite participation from
24 outside the Puget Sound region.

25 (2) Within the amounts appropriated in this section, the Puget
26 Sound partnership shall facilitate an ongoing monitoring consortium to
27 integrate monitoring efforts for storm water, water quality, watershed
28 health, and other indicators to enhance monitoring efforts in Puget
29 Sound.

(End of part)

PART XIV
TRANSPORTATION

Sec. 1401. 2012 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2012)	\$35,395,000
General Fund--State Appropriation (FY 2013)	(\$32,323,000)
	<u>\$42,175,000</u>
General Fund--Federal Appropriation	\$16,081,000
General Fund--Private/Local Appropriation	\$3,021,000
Death Investigations Account--State Appropriation	\$5,537,000
County Criminal Justice Assistance Account--State	
Appropriation	\$3,207,000
Municipal Criminal Justice Assistance Account--State	
Appropriation	\$1,286,000
Fire Service Trust Account--State Appropriation	\$131,000
Disaster Response Account--State Appropriation	\$8,002,000
Fire Service Training Account--State Appropriation	\$9,386,000
Aquatic Invasive Species Enforcement Account--State	
Appropriation	\$54,000
State Toxics Control Account--State Appropriation	\$505,000
Fingerprint Identification Account--State	
Appropriation	\$10,067,000
Vehicle License Fraud Account--State Appropriation	\$437,000
TOTAL APPROPRIATION	(\$125,432,000)
	<u>\$135,284,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

1 (2) \$8,000,000 of the disaster response account--state
2 appropriation is provided solely for Washington state fire service
3 resource mobilization costs incurred in response to an emergency or
4 disaster authorized under RCW 43.43.960 and 43.43.964. The state
5 patrol shall submit a report quarterly to the office of financial
6 management and the legislative fiscal committees detailing information
7 on current and planned expenditures from this account. This work shall
8 be done in coordination with the military department.

9 (3) \$400,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (4) In accordance with RCW 43.43.742 the state patrol is authorized
13 to increase the following fees in fiscal year ((2012)) 2013 as
14 necessary to meet the actual costs of conducting business and the
15 appropriation levels in this section: Notary service fee.

16 (5) \$59,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Engrossed Second
18 Substitute House Bill No. 1776 (child care center licensing). If the
19 bill is not enacted by June 30, 2011, the amount provided in this
20 subsection shall lapse.

21 (6) \$6,000 of the fingerprint identification account--state
22 appropriation is provided solely for implementation of Engrossed
23 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
24 bill is not enacted by June 30, 2011, the amount provided in this
25 subsection shall lapse.

26 (7) \$1,000 of the fingerprint identification account--state
27 appropriation is provided solely for implementation of Engrossed Senate
28 Bill No. 6296 (background checks). If the bill is not enacted by June
29 30, 2012, the amount provided in this subsection shall lapse.

30 (8) \$9,896,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely for fire mobilization costs.

(End of part)

PART XV
EDUCATION

Sec. 1501. 2012 2nd sp.s. c 7 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2012)	\$25,322,000
General Fund--State Appropriation (FY 2013)	(\$27,133,000)
	<u>\$27,543,000</u>
General Fund--Federal Appropriation	(\$77,011,000)
	<u>\$82,011,000</u>
General Fund--Private/Local Appropriation	\$4,000,000
TOTAL APPROPRIATION	(\$133,466,000)
	<u>\$138,876,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) A maximum of \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$14,875,000)~~ \$15,276,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$8,169,000)~~ \$8,160,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

(iii) Within the amounts provided, and in consultation with the public school employees of Washington and the Washington school

1 counselors' association, the office of the superintendent of public
2 instruction shall develop a model policy that further defines the
3 recommended roles and responsibilities of graduation coaches and
4 identifies best practices for how graduation coaches work in
5 coordination with school counselors and in the context of a
6 comprehensive school guidance and counseling program.

7 (iv) The office of the superintendent of public instruction shall,
8 no later than August 1, 2011, establish a standard statewide definition
9 of unexcused absence. The definition shall be reported to the ways and
10 means committees of the senate and house of representatives for
11 legislative review in the 2012 legislative session. Beginning no later
12 than January 1, 2012, districts shall report to the office of the
13 superintendent of public instruction, daily student unexcused absence
14 data by school.

15 (b) \$1,964,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$1,017,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for activities associated with the
18 implementation of new school finance systems required by chapter 236,
19 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
20 (state's education system), including technical staff, systems
21 reprogramming, and workgroup deliberations, including the quality
22 education council and the data governance working group.

23 (c) \$851,000 of the general fund--state appropriation for fiscal
24 year 2012 and (~~(\$851,000)~~) \$1,022,000 of the general fund--state
25 appropriation for fiscal year 2013 are provided solely for the
26 operation and expenses of the state board of education, including basic
27 education assistance activities. Of these amounts, \$171,000 of the
28 general fund--state appropriation for fiscal year 2013 is provided for
29 implementation of Initiative Measure No. 1240 (charter schools).

30 (d) \$1,744,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$1,387,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely to the professional educator
33 standards board for the following:

34 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year
35 2013 are for the operation and expenses of the Washington professional
36 educator standards board; and

37 (ii) \$694,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$312,000 of the general fund--state appropriation for

1 fiscal year 2013 are for conditional scholarship loans and mentor
2 stipends provided through the alternative routes to certification
3 program administered by the professional educator standards board,
4 including the pipeline for paraeducators program and the retooling to
5 teach conditional loan programs. Funding within this subsection
6 (1)(d)(ii) is also provided for the recruiting Washington teachers
7 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-
8 2013 fiscal biennium are intended to be one-time; and

9 (iii) \$25,000 of the general fund--state appropriation for fiscal
10 year 2013 is provided solely for the professional educator standards
11 board to develop educator interpreter standards and identify
12 interpreter assessments that are available to school districts.
13 Interpreter assessments should meet the following criteria: (A)
14 Include both written assessment and performance assessment; (B) be
15 offered by a national organization of professional sign language
16 interpreters and transliterators; and (C) be designed to assess
17 performance in more than one sign system or sign language. The board
18 shall establish a performance standard, defining what constitutes a
19 minimum assessment result, for each educational interpreter assessment
20 identified. The board shall publicize the standards and assessments
21 for school district use.

22 (e) \$133,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$133,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for the implementation of chapter
25 240, Laws of 2010, including staffing the office of equity and civil
26 rights.

27 (f) \$50,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$50,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for the ongoing work of the
30 education opportunity gap oversight and accountability committee.

31 (g) \$45,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$45,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for the implementation of chapter
34 380, Laws of 2009 (enacting the interstate compact on educational
35 opportunity for military children).

36 (h) \$159,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$93,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for the implementation of chapter

1 185, Laws of 2011 (bullying prevention), which requires the office of
2 the superintendent of public instruction to convene an ongoing
3 workgroup on school bullying and harassment prevention. Within the
4 amounts provided, \$140,000 is for youth suicide prevention activities.

5 (i) \$1,227,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$1,227,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for implementing a comprehensive
8 data system to include financial, student, and educator data, including
9 development and maintenance of the comprehensive education data and
10 research system (CEDARS).

11 (j) \$25,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$25,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for project citizen, a program
14 sponsored by the national conference of state legislatures and the
15 center for civic education to promote participation in government by
16 middle school students.

17 (k) \$166,000 of the general fund--state appropriation for fiscal
18 year 2012 is provided solely for the implementation of chapter 192,
19 Laws of 2011 (school district insolvency). Funding is provided to
20 develop a clear legal framework and process for dissolution of a school
21 district.

22 (l) \$1,500,000 of the general fund--state appropriation for fiscal
23 year 2013 is provided solely for implementation of House Bill No. 2799
24 (collaborative schools). If such legislation is not enacted by June
25 30, 2012, the amount provided in this subsection shall lapse.

26 (m) \$128,000 of the general fund--state appropriation for fiscal
27 year 2013 is provided solely pursuant to Substitute House Bill No. 2254
28 (foster care outcomes). The office of the superintendent of public
29 instruction shall report on the implementation of the state's plan of
30 cross-system collaboration to promote educational stability and improve
31 education outcomes of foster youth. The first report is due December
32 1, 2012, and annually thereafter through 2015. If the bill is not
33 enacted by June 30, 2012, the amount provided in this subsection shall
34 lapse.

35 (n) \$250,000 of the general fund--state appropriation for fiscal
36 year 2013 is provided solely for implementation of House Bill No. 2337
37 (open K-12 education resources). If the bill is not enacted by June
38 30, 2012, the amount provided in this subsection shall lapse.

1 (o) \$239,000 of the general fund--state appropriation for fiscal
2 year 2013 is provided solely for implementation of Initiative Measure
3 No. 1240 (charter schools).

4 (2) \$9,267,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$12,267,000 of the general fund--state appropriation for
6 fiscal year 2013 are for statewide programs.

7 (a) HEALTH AND SAFETY

8 (i) \$2,541,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$2,541,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for a corps of nurses located at
11 educational service districts, as determined by the superintendent of
12 public instruction, to be dispatched to the most needy schools to
13 provide direct care to students, health education, and training for
14 school staff.

15 (ii) \$50,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$50,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for a nonviolence and leadership
18 training program provided by the institute for community leadership.

19 (b) TECHNOLOGY

20 \$1,221,000 of the general fund--state appropriation for fiscal year
21 2012 and \$1,221,000 of the general fund--state appropriation for fiscal
22 year 2013 are provided solely for K-20 telecommunications network
23 technical support in the K-12 sector to prevent system failures and
24 avoid interruptions in school utilization of the data processing and
25 video-conferencing capabilities of the network. These funds may be
26 used to purchase engineering and advanced technical support for the
27 network.

28 (c) GRANTS AND ALLOCATIONS

29 (i) \$675,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$675,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for the Washington state achievers
32 scholarship program. The funds shall be used to support community
33 involvement officers that recruit, train, and match community volunteer
34 mentors with students selected as achievers scholars.

35 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$1,000,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for contracting with a college

1 scholarship organization with expertise in conducting outreach to
2 students concerning eligibility for the Washington college bound
3 scholarship consistent with chapter 405, Laws of 2007.

4 (iii) \$2,808,000 of the general fund--state appropriation for
5 fiscal year 2012 and \$2,808,000 of the general fund--state
6 appropriation for fiscal year 2013 are provided solely for the
7 dissemination of the navigation 101 curriculum to all districts. The
8 funding shall support electronic student planning tools and software
9 for analyzing the impact of navigation 101 on student performance, as
10 well as grants to a maximum of one hundred school districts each year,
11 based on progress and need for the implementation of the navigation 101
12 program. The implementation grants shall be awarded to a cross-section
13 of school districts reflecting a balance of geographic and demographic
14 characteristics. Within the amounts provided, the office of the
15 superintendent of public instruction will create a navigation 101
16 accountability model to analyze the impact of the program.

17 (iv) \$337,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$337,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for implementation of the building
20 bridges statewide program for comprehensive dropout prevention,
21 intervention, and reengagement strategies.

22 (v) \$135,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$135,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for dropout prevention programs at
25 the office of the superintendent of public instruction, including the
26 jobs for America's graduates (JAG) program.

27 (vi) \$500,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$1,400,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for the implementation of chapter
30 340, Laws of 2011 (assessment of students in state-funded full-day
31 kindergarten classrooms), including the development and implementation
32 of the Washington kindergarten inventory of developing skills (WaKIDS).
33 Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013
34 appropriation is for the implementation of House Bill No. 2586
35 (kindergarten inventory). If the bill is not enacted by June 30, 2012,
36 this amount shall lapse.

37 (vii) \$2,000,000 of the general fund--state appropriation for

1 fiscal year 2013 is provided solely for an urban school turnaround
2 initiative as follows:

3 (A) The office of the superintendent of public instruction shall
4 select two schools in the largest urban school district in the state.
5 The selected schools shall be among the state's lowest-performing
6 schools; be located within the same community and form a continuum of
7 education for the students in that community; have significant
8 educational achievement gaps; and include a mix of elementary, middle,
9 or high schools.

10 (B) The office shall allocate the funds under this subsection (vii)
11 to the school district to be used exclusively in the selected schools.
12 The district may not charge an overhead or indirect fee for the
13 allocated funds or supplant other state, federal, or local funds in the
14 selected schools. The school district shall use the funds for
15 intensive supplemental instruction, services, and materials in the
16 selected schools in the 2012-13 school year, including but not limited
17 to professional development for school staff; updated curriculum,
18 materials, and technology; extended learning opportunities for
19 students; reduced class size; summer enrichment activities;
20 school-based health clinics; and other research-based initiatives to
21 dramatically turn around the performance and close the achievement gap
22 in the schools. Priorities for the expenditure of the funds shall be
23 determined by the leadership and staff of each school.

24 (C) The office shall monitor the activities in the selected schools
25 and the expenditure of funds to ensure the intent of this subsection
26 (vii) is met, and submit a report to the legislature by December 1,
27 2013, including outcomes resulting from the urban school turnaround
28 initiative. The report submitted to the legislature must include a
29 comparison of student learning achievement in the selected schools with
30 schools of comparable demographics that have not participated in the
31 grant program.

32 (D) Funding provided in this subsection (vii) is intended to be
33 one-time.

34 (viii) \$100,000 of the general fund--state appropriation for fiscal
35 year 2013 is provided solely to subsidize advanced placement exam fees
36 and international baccalaureate class fees and exam fees for low-income
37 students. To be eligible for the subsidy, a student must be either
38 enrolled or eligible to participate in the federal free or reduced

1 price lunch program, and the student must have maximized the allowable
2 federal contribution. The office of the superintendent of public
3 instruction shall set the subsidy in an amount so that the advanced
4 placement exam fee does not exceed \$15.00 and the combined class and
5 exam fee for the international baccalaureate does not exceed \$14.50.

6 **Sec. 1502.** 2012 2nd sp.s. c 7 s 502 (uncodified) is amended to
7 read as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
9 **APPORTIONMENT**

10	General Fund--State Appropriation (FY 2012)	\$5,241,233,000
11	General Fund--State Appropriation (FY 2013)	((\$5,170,854,000))
12		<u>\$5,139,496,000</u>
13	General Fund--Federal Appropriation	\$22,327,000
14	TOTAL APPROPRIATION	((\$10,434,414,000))
15		<u>\$10,403,056,000</u>

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1)(a) Each general fund fiscal year appropriation includes such
19 funds as are necessary to complete the school year ending in the fiscal
20 year and for prior fiscal year adjustments.

21 (b) For the 2011-12 and 2012-13 school years, the superintendent
22 shall allocate general apportionment funding to school districts as
23 provided in the funding formulas and salary schedules in sections 502
24 and 503 of this act, excluding (c) of this subsection.

25 (c) From July 1, 2011 to August 31, 2011, the superintendent shall
26 allocate general apportionment funding to school districts programs as
27 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended
28 through sections 1402 and 1403 of this act.

29 (d) The appropriations in this section include federal funds
30 provided through section 101 of P.L. No. 111-226 (education jobs fund),
31 which shall be used to support general apportionment program funding.
32 In distributing general apportionment allocations under this section
33 for the 2011-12 school year, the superintendent shall include the
34 additional amount of \$3,327,000 allocated by the United States
35 department of education on September 16, 2011, provided through 101 of
36 P.L. No. 111-226 (education jobs fund) as part of each district's
37 general apportionment allocation.

1 (e) The enrollment of any district shall be the annual average
2 number of full-time equivalent students and part-time students as
3 provided in RCW 28A.150.350, enrolled on the fourth day of school in
4 September and on the first school day of each month October through
5 June, including students who are in attendance pursuant to RCW
6 28A.335.160 and 28A.225.250 who do not reside within the servicing
7 school district. Any school district concluding its basic education
8 program in May must report the enrollment of the last school day held
9 in May in lieu of a June enrollment.

10 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

11 Allocations for certificated instructional staff salaries for the
12 2011-12 and 2012-13 school years are determined using formula-generated
13 staff units calculated pursuant to this subsection.

14 (a) Certificated instructional staff units, as defined in RCW
15 28A.150.410, shall be allocated to reflect the minimum class size
16 allocations, requirements, and school prototypes assumptions as
17 provided in RCW 28A.150.260. The superintendent shall make allocations
18 to school districts based on the district's annual average full-time
19 equivalent student enrollment in each grade.

20 (b) Additional certificated instructional staff units provided in
21 this subsection (2) that exceed the minimum requirements in RCW
22 28A.150.260 are enhancements outside the program of basic education,
23 except as otherwise provided in this section.

24 (c)(i) The superintendent shall base allocations for each level of
25 prototypical school on the following regular education average class
26 size of full-time equivalent students per teacher, except as provided
27 in (c)(ii) of this subsection:

General education class size:		
Grade		RCW 28A.150.260
Grades K-3	.....	25.23
Grade 4	.....	27.00
Grades 5-6	.....	27.00
Grades 7-8	.....	28.53
Grades 9-12	.....	28.74

1 The superintendent shall base allocations for career and technical
2 education (CTE) and skill center programs average class size as
3 provided in RCW 28A.150.260.

4 (ii) For each level of prototypical school at which more than fifty
5 percent of the students were eligible for free and reduced-price meals
6 in the prior school year, the superintendent shall allocate funding
7 based on the following average class size of full-time equivalent
8 students per teacher:

9 General education class size in high poverty
10 school:

11	Grades K-3	.....	24.10
12	Grade 4	.....	27.00
13	Grades 5-6	.....	27.00
14	Grades 7-8	.....	28.53
15	Grades 9-12	.....	28.74

16 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
17 planning period, expressed as a percentage of a teacher work day, is
18 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

19 (iv) Laboratory science, advanced placement, and international
20 baccalaureate courses are funded at the same class size assumptions as
21 general education schools in the same grade; and

22 (d)(i) Funding for teacher librarians, school nurses, social
23 workers, school psychologists, and guidance counselors is allocated
24 based on the school prototypes as provided in RCW 28A.150.260 and is
25 considered certificated instructional staff, except as provided in
26 (d)(ii) of this subsection.

27 (ii) Students in approved career and technical education and skill
28 center programs generate certificated instructional staff units to
29 provide for the services of teacher librarians, school nurses, social
30 workers, school psychologists, and guidance counselors at the following
31 combined rate per 1000 students:

32	Career and Technical Education	
33	students	2.02 per 1000 student FTE's
34	Skill Center students	2.36 per 1000 student FTE's

1 (3) ADMINISTRATIVE STAFF ALLOCATIONS

2 (a) Allocations for school building-level certificated
3 administrative staff salaries for the 2011-12 and 2012-13 school years
4 for general education students are determined using the formula-
5 generated staff units provided in RCW 28A.150.260, and adjusted based
6 on a district's annual average full-time equivalent student enrollment
7 in each grade.

8 (b) Students in approved career and technical education and skill
9 center programs generate certificated school building-level
10 administrator staff units at per student rates that exceed the general
11 education rate in (a) of this subsection by the following percentages:

12 Career and Technical Education students 2.5 percent
13 Skill Center students 19.75 percent

14 (4) CLASSIFIED STAFF ALLOCATIONS

15 Allocations for classified staff units providing school building-
16 level and district-wide support services for the 2011-12 and 2012-13
17 school years are determined using the formula-generated staff units
18 provided in RCW 28A.150.260, and adjusted based on each district's
19 annual average full-time equivalent student enrollment in each grade.

20 (5) CENTRAL OFFICE ALLOCATIONS
21

22 In addition to classified and administrative staff units allocated
23 in subsections (3) and (4) of this section, classified and
24 administrative staff units are provided for the 2011-12 and 2012-13
25 school year for the central office administrative costs of operating a
26 school district, at the following rates:

27 (a) The total central office staff units provided in this
28 subsection (5) are calculated by first multiplying the total number of
29 eligible certificated instructional, certificated administrative, and
30 classified staff units providing school-based or district-wide support
31 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

32 (b) Of the central office staff units calculated in (a) of this
33 subsection, 74.53 percent are allocated as classified staff units, as
34 generated in subsection (4) of this section, and 25.47 percent shall be
35 allocated as administrative staff units, as generated in subsection (3)
36 of this section.

37 (c) Staff units generated as enhancements outside the program of
38 basic education to the minimum requirements of RCW 28A.150.260, and

1 staff units generated by skill center and career-technical students,
2 are excluded from the total central office staff units calculation in
3 (a) of this subsection.

4 (d) For students in approved career-technical and skill center
5 programs, central office classified units are allocated at the same
6 staff unit per student rate as those generated for general education
7 students of the same grade in this subsection (5), and central office
8 administrative staff units are allocated at staff unit per student
9 rates that exceed the general education rate established for students
10 in the same grade in this subsection (5) by 3.69 percent for career and
11 technical education students, and 21.92 percent for skill center
12 students.

13 (6) FRINGE BENEFIT ALLOCATIONS

14 Fringe benefit allocations shall be calculated at a rate of 16.33
15 percent in the 2011-12 school year and 16.34 percent in the 2012-13
16 school year for certificated salary allocations provided under
17 subsections (2), (3), and (5) of this section, and a rate of 18.73
18 percent in the 2011-12 school year and 18.73 percent in the 2012-13
19 school year for classified salary allocations provided under
20 subsections (4) and (5) of this section.

21
22 (7) INSURANCE BENEFIT ALLOCATIONS

23 Insurance benefit allocations shall be calculated at the
24 maintenance rate specified in section 504 of this act, based on the
25 number of benefit units determined as follows:

26 (a) The number of certificated staff units determined in
27 subsections (2), (3), and (5) of this section; and

28 (b) The number of classified staff units determined in subsections
29 (4) and (5) of this section multiplied by 1.152. This factor is
30 intended to adjust allocations so that, for the purposes of
31 distributing insurance benefits, full-time equivalent classified
32 employees may be calculated on the basis of 1440 hours of work per
33 year, with no individual employee counted as more than one full-time
34 equivalent.

35 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

36 Funding is allocated per annual average full-time equivalent
37 student for the materials, supplies, and operating costs (MSOC)

1 incurred by school districts, consistent with the requirements of RCW
2 28A.150.260.

3 (a) MSOC funding for general education students are allocated at
4 the following per student rates:

5 MSOC RATES/STUDENT FTE

6 MSOC Component	7 2011-12	8 2012-13
	9 SCHOOL YEAR	SCHOOL YEAR
10 Technology	\$57.42	\$58.28
11 Utilities and Insurance	\$156.03	\$158.37
12 Curriculum and Textbooks	\$61.65	\$62.58
13 Other Supplies and Library Materials	\$130.89	\$132.85
14 Instructional Professional Development for Certificated 15 and Classified Staff	\$9.53	\$9.68
16 Facilities Maintenance	\$77.30	\$78.46
17 Security and Central Office	\$53.55	\$54.35
18 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	\$554.57

19 (b) Students in approved skill center programs generate per student
20 FTE MSOC allocations which equal the rate for general education
21 students calculated in (a) of this subsection, multiplied by a factor
22 of 2.171.

23 (c) Students in approved exploratory and preparatory career and
24 technical education programs generate a per student MSOC allocation
25 that is equal to the rate for general education students calculated in
26 (a) of this subsection, multiplied by a factor of 2.442.

27 (d) Students in laboratory science courses generate per student FTE
28 MSOC allocations which equal the per student FTE rate for general
29 education students established in (a) of this subsection.

30 (9) SUBSTITUTE TEACHER ALLOCATIONS

31 For the 2011-12 and 2012-13 school years, funding for substitute
32 costs for classroom teachers is based on four (4) funded substitute
33 days per classroom teacher unit generated under subsection (2) of this
34 section, at a daily substitute rate of \$151.86.

1 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

2 (a) Amounts provided in this section are adjusted to reflect
3 provisions of House Bill No. 2065 (allocation of funding for funding
4 for students enrolled in alternative learning experiences).

5 (b) The superintendent of public instruction shall require all
6 districts receiving general apportionment funding for alternative
7 learning experience (ALE) programs as defined in WAC 392-121-182 to
8 provide separate financial accounting of expenditures for the ALE
9 programs offered in district or with a provider, including but not
10 limited to private companies and multidistrict cooperatives, as well as
11 accurate, monthly headcount and FTE enrollment claimed for basic
12 education, including separate counts of resident and nonresident
13 students.

14 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

15 Funding in this section is sufficient to fund voluntary full day
16 kindergarten programs in qualifying high poverty schools, pursuant to
17 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
18 for the voluntary full-day program in a qualifying school shall count
19 as one-half of one full-time equivalent student for purpose of making
20 allocations under this section. Funding in this section provides full-
21 day kindergarten programs for 21 percent of kindergarten enrollment in
22 the 2011-12 school year, and 22 percent in the 2012-13 school year.
23 Funding priority shall be given to schools with the highest poverty
24 levels, as measured by prior year free and reduced price lunch
25 eligibility rates in each school. Funding in this section is
26 sufficient to fund voluntary full day kindergarten programs for July
27 and August of the 2010-11 school year.

28 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
29 NECESSARY PLANTS

30 For small school districts and remote and necessary school plants
31 within any district which have been judged to be remote and necessary
32 by the superintendent of public instruction, additional staff units are
33 provided to ensure a minimum level of staffing support. Additional
34 administrative and certificated instructional staff units provided to
35 districts in this subsection shall be reduced by the general education
36 staff units, excluding career and technical education and skills center

1 enhancement units, otherwise provided in subsections (2) through (5) of
2 this section on a per district basis.

3 (a) For districts enrolling not more than twenty-five average
4 annual full-time equivalent students in grades K-8, and for small
5 school plants within any school district which have been judged to be
6 remote and necessary by the superintendent of public instruction and
7 enroll not more than twenty-five average annual full-time equivalent
8 students in grades K-8:

9 (i) For those enrolling no students in grades 7 and 8, 1.76
10 certificated instructional staff units and 0.24 certificated
11 administrative staff units for enrollment of not more than five
12 students, plus one-twentieth of a certificated instructional staff unit
13 for each additional student enrolled; and

14 (ii) For those enrolling students in grades 7 or 8, 1.68
15 certificated instructional staff units and 0.32 certificated
16 administrative staff units for enrollment of not more than five
17 students, plus one-tenth of a certificated instructional staff unit for
18 each additional student enrolled;

19 (b) For specified enrollments in districts enrolling more than
20 twenty-five but not more than one hundred average annual full-time
21 equivalent students in grades K-8, and for small school plants within
22 any school district which enroll more than twenty-five average annual
23 full-time equivalent students in grades K-8 and have been judged to be
24 remote and necessary by the superintendent of public instruction:

25 (i) For enrollment of up to sixty annual average full-time
26 equivalent students in grades K-6, 2.76 certificated instructional
27 staff units and 0.24 certificated administrative staff units; and

28 (ii) For enrollment of up to twenty annual average full-time
29 equivalent students in grades 7 and 8, 0.92 certificated instructional
30 staff units and 0.08 certificated administrative staff units;

31 (c) For districts operating no more than two high schools with
32 enrollments of less than three hundred average annual full-time
33 equivalent students, for enrollment in grades 9-12 in each such school,
34 other than alternative schools, except as noted in this subsection:

35 (i) For remote and necessary schools enrolling students in any
36 grades 9-12 but no more than twenty-five average annual full-time
37 equivalent students in grades K-12, four and one-half certificated

1 instructional staff units and one-quarter of a certificated
2 administrative staff unit;

3 (ii) For all other small high schools under this subsection, nine
4 certificated instructional staff units and one-half of a certificated
5 administrative staff unit for the first sixty average annual full-time
6 equivalent students, and additional staff units based on a ratio of
7 0.8732 certificated instructional staff units and 0.1268 certificated
8 administrative staff units per each additional forty-three and one-half
9 average annual full-time equivalent students;

10 (iii) Districts receiving staff units under this subsection shall
11 add students enrolled in a district alternative high school and any
12 grades nine through twelve alternative learning experience programs
13 with the small high school enrollment for calculations under this
14 subsection;

15 (d) For each nonhigh school district having an enrollment of more
16 than seventy annual average full-time equivalent students and less than
17 one hundred eighty students, operating a grades K-8 program or a grades
18 1-8 program, an additional one-half of a certificated instructional
19 staff unit;

20 (e) For each nonhigh school district having an enrollment of more
21 than fifty annual average full-time equivalent students and less than
22 one hundred eighty students, operating a grades K-6 program or a grades
23 1-6 program, an additional one-half of a certificated instructional
24 staff unit;

25 (f)(i) For enrollments generating certificated staff unit
26 allocations under (a) through (e) of this subsection, one classified
27 staff unit for each 2.94 certificated staff units allocated under such
28 subsections;

29 (ii) For each nonhigh school district with an enrollment of more
30 than fifty annual average full-time equivalent students and less than
31 one hundred eighty students, an additional one-half of a classified
32 staff unit; and

33 (g) School districts receiving additional staff units to support
34 small student enrollments and remote and necessary plants under
35 subsection (12) of this section shall generate additional MSOC
36 allocations consistent with the nonemployee related costs (NERC)
37 allocation formula in place for the 2010-11 school year as provided

1 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental
2 budget), adjusted annually for inflation.

3 (13) Any school district board of directors may petition the
4 superintendent of public instruction by submission of a resolution
5 adopted in a public meeting to reduce or delay any portion of its basic
6 education allocation for any school year. The superintendent of public
7 instruction shall approve such reduction or delay if it does not impair
8 the district's financial condition. Any delay shall not be for more
9 than two school years. Any reduction or delay shall have no impact on
10 levy authority pursuant to RCW 84.52.0531 and local effort assistance
11 pursuant to chapter 28A.500 RCW.

12 (14) The superintendent may distribute funding for the following
13 programs outside the basic education formula during fiscal years 2012
14 and 2013 as follows:

15 (a) \$589,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$598,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for fire protection for school
18 districts located in a fire protection district as now or hereafter
19 established pursuant to chapter 52.04 RCW.

20 (b) \$436,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$436,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for programs providing skills
23 training for secondary students who are enrolled in extended day
24 school-to-work programs, as approved by the superintendent of public
25 instruction. The funds shall be allocated at a rate not to exceed \$500
26 per full-time equivalent student enrolled in those programs.

27 (c) Funding in this section is sufficient to fund adjustments to
28 school districts' allocations resulting from the implementation of the
29 prototypical school funding formula, pursuant to chapter 236, Laws of
30 2010 (K-12 education funding). The funding in this section is intended
31 to hold school districts harmless in total for funding changes
32 resulting from conversion to the prototypical school formula in the
33 general apportionment program, the learning assistance program, the
34 transitional bilingual program, and the highly capable program, after
35 adjustment for changes in enrollment and other caseload adjustments.

36 (15) \$208,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$211,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for school district emergencies as

1 certified by the superintendent of public instruction. At the close of
2 the fiscal year the superintendent of public instruction shall report
3 to the office of financial management and the appropriate fiscal
4 committees of the legislature on the allocations provided to districts
5 and the nature of the emergency.

6 (16) Funding in this section is sufficient to fund a maximum of
7 1.6 FTE enrollment for skills center students pursuant to chapter 463,
8 Laws of 2007.

9 (17) Beginning in the 2011-12 school year, students participating
10 in running start programs may be funded up to a combined maximum
11 enrollment of 1.2 FTE including school district and institution of
12 higher education enrollment. In calculating the combined 1.2 FTE, the
13 office of the superintendent of public instruction may average the
14 participating student's September through June enrollment to account
15 for differences in the start and end dates for courses provided by the
16 high school and higher education institution. Additionally, the office
17 of the superintendent of public instruction, in consultation with the
18 state board for community and technical colleges, the higher education
19 coordinating board, and the education data center, shall annually track
20 and report to the fiscal committees of the legislature on the combined
21 FTE experience of students participating in the running start program,
22 including course load analyses at both the high school and community
23 and technical college system.

24 (18) If two or more school districts consolidate and each district
25 was receiving additional basic education formula staff units pursuant
26 to subsection (12) of this section, the following apply:

27 (a) For three school years following consolidation, the number of
28 basic education formula staff units shall not be less than the number
29 of basic education formula staff units received by the districts in the
30 school year prior to the consolidation; and

31 (b) For the fourth through eighth school years following
32 consolidation, the difference between the basic education formula staff
33 units received by the districts for the school year prior to
34 consolidation and the basic education formula staff units after
35 consolidation pursuant to subsection (12) of this section shall be
36 reduced in increments of twenty percent per year.

37 (19)(a) Indirect cost charges by a school district to approved
38 career and technical education middle and secondary programs shall not

1 exceed 15 percent of the combined basic education and career and
2 technical education program enhancement allocations of state funds.
3 Middle and secondary career and technical education programs are
4 considered separate programs for funding and financial reporting
5 purposes under this section.

6 (b) Career and technical education program full-time equivalent
7 enrollment shall be reported on the same monthly basis as the
8 enrollment for students eligible for basic support, and payments shall
9 be adjusted for reported career and technical education program
10 enrollments on the same monthly basis as those adjustments for
11 enrollment for students eligible for basic support.

12 **Sec. 1503.** 2012 2nd sp.s. c 7 s 503 (uncodified) is amended to
13 read as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**
15 **COMPENSATION**

16 (1) The following calculations determine the salaries used in the
17 state allocations for certificated instructional, certificated
18 administrative, and classified staff units as provided in RCW
19 28A.150.280 and under section (~~503~~) 502 of this act:

20 (a) Salary allocations for certificated instructional staff units
21 are determined for each district by multiplying the district's
22 certificated instructional total base salary shown on LEAP Document 2
23 by the district's average staff mix factor for certificated
24 instructional staff in that school year, computed using LEAP document
25 1; and

26 (b) Salary allocations for certificated administrative staff units
27 and classified staff units for each district are determined based on
28 the district's certificated administrative and classified salary
29 allocation amounts shown on LEAP Document 2.

30 (2) For the purposes of this section:

31 (a) "LEAP Document 1" means the staff mix factors for certificated
32 instructional staff according to education and years of experience, as
33 developed by the legislative evaluation and accountability program
34 committee on May 23, 2011, at 16:10 hours; and

35 (b) "LEAP Document 2" means the school year salary allocations for
36 certificated administrative staff and classified staff and derived and

1 total base salaries for certificated instructional staff as developed
 2 by the legislative evaluation and accountability program committee on
 3 May 23, 2011, at 16:10 hours.

4 (3) Incremental fringe benefit factors are applied to salary
 5 adjustments at a rate of 15.69 percent for school year 2011-12 and
 6 15.70 percent for school year 2012-13 for certificated instructional
 7 and certificated administrative staff and 15.23 percent for school year
 8 2011-12 and 15.23 percent for the 2012-13 school year for classified
 9 staff.

10 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
 11 allocation schedules for certificated instructional staff are
 12 established for basic education salary allocations:

13 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12

14 ***Education Experience***

16	Years									MA+90
17	of									OR
18	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
19	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
20	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
21	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
22	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
23	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
24	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
25	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
26	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
27	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
28	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
29	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
30	11				45,883	49,169	51,558	49,295	52,581	54,969
31	12				47,332	50,777	53,238	50,850	54,188	56,650
32	13					52,425	54,959	52,460	55,836	58,370
33	14					54,081	56,745	54,117	57,600	60,157
34	15					55,488	58,221	55,523	59,098	61,721
35	16 or more					56,597	59,385	56,634	60,279	62,955

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

Education Experience

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
11				45,883	49,169	51,558	49,295	52,581	54,969
12				47,332	50,777	53,238	50,850	54,188	56,650
13					52,425	54,959	52,460	55,836	58,370
14					54,081	56,745	54,117	57,600	60,157
15					55,488	58,221	55,523	59,098	61,721
16 or more					56,597	59,385	56,634	60,279	62,955

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

- (i) Credits earned since receiving the masters degree; and
- (ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

1 (5) For the purposes of this section:
2 (a) "BA" means a baccalaureate degree.
3 (b) "MA" means a masters degree.
4 (c) "PHD" means a doctorate degree.
5 (d) "Years of service" shall be calculated under the same rules
6 adopted by the superintendent of public instruction.

7 (e) "Credits" means college quarter hour credits and equivalent
8 in-service credits computed in accordance with RCW 28A.415.020 and
9 28A.415.023.

10 (6) No more than ninety college quarter-hour credits received by
11 any employee after the baccalaureate degree may be used to determine
12 compensation allocations under the state salary allocation schedule and
13 LEAP documents referenced in this part V, or any replacement schedules
14 and documents, unless:

- 15 (a) The employee has a masters degree; or
- 16 (b) The credits were used in generating state salary allocations
17 before January 1, 1992.

18 (7) The salary allocation schedules established in this section are
19 for allocation purposes only except as provided in RCW 28A.400.200(2).

20 **Sec. 1504.** 2012 2nd sp.s. c 7 s 504 (uncodified) is amended to
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
23 **COMPENSATION ADJUSTMENTS**

24 General Fund--Federal Appropriation \$2,000

25 The appropriation in this section is subject to the following
26 conditions and limitations:

27 (1)(a) Additional salary adjustments as necessary to fund the base
28 salaries for certificated instructional staff as listed for each
29 district in LEAP Document 2, defined in section ((504)) 503(2)(b) of
30 this act. Allocations for these salary adjustments shall be provided
31 to all districts that are not grandfathered to receive salary
32 allocations above the statewide salary allocation schedule, and to
33 certain grandfathered districts to the extent necessary to ensure that
34 salary allocations for districts that are currently grandfathered do
35 not fall below the statewide salary allocation schedule.

36 (b) Additional salary adjustments to certain districts as necessary

1 to fund the per full-time-equivalent salary allocations for
2 certificated administrative staff as listed for each district in LEAP
3 Document 2, defined in section ((504)) 503(2)(b) of this act.

4 (c) Additional salary adjustments to certain districts as necessary
5 to fund the per full-time-equivalent salary allocations for classified
6 staff as listed for each district in LEAP Document 2, defined in
7 section ((504)) 503(2)(b) of this act.

8 (d) The appropriations in this subsection (1) include associated
9 incremental fringe benefit allocations at 15.69 percent for the 2011-12
10 school year and 15.70 percent for the 2012-13 school year for
11 certificated instructional and certificated administrative staff and
12 15.23 percent for the 2011-12 school year and 15.23 percent for the
13 2012-13 school year for classified staff.

14 (e) The appropriations in this section include the increased or
15 decreased portion of salaries and incremental fringe benefits for all
16 relevant state-funded school programs in part V of this act. Changes
17 for general apportionment (basic education) are based on the salary
18 allocation schedules and methodology in sections ((503 and 504)) 502
19 and 503 of this act. Changes for special education result from changes
20 in each district's basic education allocation per student. Changes for
21 educational service districts and institutional education programs are
22 determined by the superintendent of public instruction using the
23 methodology for general apportionment salaries and benefits in sections
24 ((503 and 504)) 502 and 503 of this act.

25 (f) The appropriations in this section include no salary
26 adjustments for substitute teachers.

27 (2) The maintenance rate for insurance benefit allocations is
28 \$768.00 per month for the 2011-12 and 2012-13 school years. The
29 appropriations in this section reflect the incremental change in cost
30 of allocating rates of \$768.00 per month for the 2011-12 school year
31 and \$768.00 per month for the 2012-13 school year.

32 (3) The rates specified in this section are subject to revision
33 each year by the legislature.

34 **Sec. 1505.** 2012 2nd sp.s. c 7 s 505 (uncodified) is amended to
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**
37 General Fund--State Appropriation (FY 2012) \$322,243,000

1	General Fund--State Appropriation (FY 2013)	((\$273,642,000))
2		<u>\$273,893,000</u>
3	TOTAL APPROPRIATION	((\$595,885,000))
4		<u>\$596,136,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations:

7 (1) Each general fund fiscal year appropriation includes such funds
8 as are necessary to complete the school year ending in the fiscal year
9 and for prior fiscal year adjustments.

10 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
11 shall allocate funding to school district programs for the
12 transportation of students as provided in RCW 28A.160.192.

13 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
14 allocate funding to school districts programs for the transportation of
15 students as provided in section 505, chapter 564, Laws of 2009, as
16 amended through section 1404 of this act.

17 (3) Any amounts appropriated for maintenance level funding for
18 pupil transportation that exceed actual maintenance level expenditures
19 as calculated under the funding formula that takes effect September 1,
20 2011, shall be distributed to districts according to RCW
21 28A.160.192(2)(b).

22 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation
23 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be
24 expended for regional transportation coordinators and related
25 activities. The transportation coordinators shall ensure that data
26 submitted by school districts for state transportation funding shall,
27 to the greatest extent practical, reflect the actual transportation
28 activity of each district.

29 (5) The office of the superintendent of public instruction shall
30 provide reimbursement funding to a school district for school bus
31 purchases only after the superintendent of public instruction
32 determines that the school bus was purchased from the list established
33 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
34 based on the lowest price quote based on similar bus categories to
35 those used to establish the list pursuant to RCW 28A.160.195.

36 (6) The superintendent of public instruction shall base
37 depreciation payments for school district buses on the pre-sales tax
38 five-year average of lowest bids in the appropriate category of bus.

1 In the final year on the depreciation schedule, the depreciation
2 payment shall be based on the lowest bid in the appropriate bus
3 category for that school year.

4 (7) Funding levels in this section reflect waivers granted by the
5 state board of education for four-day school weeks as allowed under RCW
6 28A.305.141.

7 (8) Starting with the 2012-13 school year, the office of the
8 superintendent of public instruction shall disburse payments for bus
9 depreciation in August.

10 **Sec. 1506.** 2011 2nd sp.s. c 9 s 506 (uncodified) is amended to
11 read as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
13 **PROGRAMS**

14	General Fund--State Appropriation (FY 2012)	\$7,111,000
15	General Fund--State Appropriation (FY 2013)	\$7,111,000
16	General Fund--Federal Appropriation	(\$436,400,000)
17		<u>\$506,000,000</u>
18	TOTAL APPROPRIATION	(\$450,622,000)
19		<u>\$520,222,000</u>

20 The appropriations in this section are subject to the following
21 conditions and limitations:

22 (1) \$7,111,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$7,111,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for state matching money for
25 federal child nutrition programs, and may support the meals for kids
26 program through the following allowable uses:

27 (a) Elimination of breakfast copays for eligible public school
28 students and lunch copays for eligible public school students in grades
29 kindergarten through third grade who are eligible for reduced price
30 lunch;

31 (b) Assistance to school districts and authorized public and
32 private nonprofit organizations for supporting summer food service
33 programs, and initiating new summer food service programs in low-income
34 areas;

35 (c) Reimbursements to school districts for school breakfasts served
36 to students eligible for free and reduced price lunch, pursuant to
37 chapter 287, Laws of 2005; and

1 (d) Assistance to school districts in initiating and expanding
2 school breakfast programs.

3 The office of the superintendent of public instruction shall report
4 annually to the fiscal committees of the legislature on annual
5 expenditures in (a), (b), and (c) of this subsection.

6 **Sec. 1507.** 2012 2nd sp.s. c 7 s 506 (uncodified) is amended to
7 read as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
9 **PROGRAMS**

10	General Fund--State Appropriation (FY 2012)	\$648,369,000
11	General Fund--State Appropriation (FY 2013)	((\$679,832,000))
12		<u>\$659,919,000</u>
13	General Fund--Federal Appropriation	((\$486,922,000))
14		<u>\$495,922,000</u>
15	Education Legacy Trust Account--State Appropriation	\$756,000
16	TOTAL APPROPRIATION	((\$1,815,879,000))
17		<u>\$1,804,966,000</u>

18 The appropriations in this section are subject to the following
19 conditions and limitations:

20 (1) Funding for special education programs is provided on an excess
21 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
22 that special education students as a class receive their full share of
23 the general apportionment allocation accruing through sections 502 and
24 504 of this act. To the extent a school district cannot provide an
25 appropriate education for special education students under chapter
26 28A.155 RCW through the general apportionment allocation, it shall
27 provide services through the special education excess cost allocation
28 funded in this section.

29 (2)(a) The superintendent of public instruction shall ensure that:

30 (i) Special education students are basic education students first;

31 (ii) As a class, special education students are entitled to the
32 full basic education allocation; and

33 (iii) Special education students are basic education students for
34 the entire school day.

35 (b) The superintendent of public instruction shall continue to
36 implement the full cost method of excess cost accounting, as designed

1 by the committee and recommended by the superintendent, pursuant to
2 section 501(1)(k), chapter 372, Laws of 2006.

3 (c) Beginning with the 2010-11 school year award cycle, the office
4 of the superintendent of public instruction shall make award
5 determinations for state safety net funding in August of each school
6 year. Determinations on school district eligibility for state safety
7 net awards shall be based on analysis of actual expenditure data from
8 the current school year.

9 (3) Each fiscal year appropriation includes such funds as are
10 necessary to complete the school year ending in the fiscal year and for
11 prior fiscal year adjustments.

12 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
13 shall allocate funding to school district programs for special
14 education students as provided in RCW 28A.150.390.

15 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
16 allocate funding to school district programs for special education
17 students as provided in section 507, chapter 564, Laws of 2009, as
18 amended through section 1406 of this act.

19 (5) The following applies throughout this section: The definitions
20 for enrollment and enrollment percent are as specified in RCW
21 28A.150.390(3). Each district's general fund--state funded special
22 education enrollment shall be the lesser of the district's actual
23 enrollment percent or 12.7 percent.

24 (6) At the request of any interdistrict cooperative of at least 15
25 districts in which all excess cost services for special education
26 students of the districts are provided by the cooperative, the maximum
27 enrollment percent shall be calculated in accordance with RCW
28 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
29 rather than individual district units. For purposes of this
30 subsection, the average basic education allocation per full-time
31 equivalent student shall be calculated in the aggregate rather than
32 individual district units.

33 (7) \$8,914,000 of the general fund--state appropriation for fiscal
34 year 2012, (~~(\$34,200,000)~~) \$9,469,000 of the general fund--state
35 appropriation for fiscal year 2013, and (~~(\$29,574,000)~~) \$32,574,000 of
36 the general fund--federal appropriation are provided solely for safety
37 net awards for districts with demonstrated needs for special education
38 funding beyond the amounts provided in subsection (4) of this section.

1 If the federal safety net awards based on the federal eligibility
2 threshold exceed the federal appropriation in this subsection (7) in
3 any fiscal year, the superintendent shall expend all available federal
4 discretionary funds necessary to meet this need. At the conclusion of
5 each school year, the superintendent shall recover safety net funds
6 that were distributed prospectively but for which districts were not
7 subsequently eligible.

8 (a) For the 2011-12 and 2012-13 school years, safety net funds
9 shall be awarded by the state safety net oversight committee as
10 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

11 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
12 operate the safety net oversight committee and shall award safety net
13 funds as provided in section 507, chapter 564, Laws of 2009, as amended
14 through section 1406 of this act.

15 (8) A maximum of \$678,000 may be expended from the general fund--
16 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
17 full-time equivalent aides at children's orthopedic hospital and
18 medical center. This amount is in lieu of money provided through the
19 home and hospital allocation and the special education program.

20 (9) The superintendent shall maintain the percentage of federal
21 flow-through to school districts at 85 percent. In addition to other
22 purposes, school districts may use increased federal funds for high-
23 cost students, for purchasing regional special education services from
24 educational service districts, and for staff development activities
25 particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next
27 year up to 10 percent of the general fund--state funds allocated under
28 this program; however, carryover funds shall be expended in the special
29 education program.

30 (11) \$251,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$251,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for two additional full-time
33 equivalent staff to support the work of the safety net committee and to
34 provide training and support to districts applying for safety net
35 awards.

36 (12) \$50,000 of the general fund--state appropriation for fiscal
37 year 2012, \$50,000 of the general fund--state appropriation for fiscal

1 year 2013, and \$100,000 of the general fund--federal appropriation
2 shall be expended to support a special education ombudsman program
3 within the office of superintendent of public instruction.

4 **Sec. 1508.** 2012 2nd sp.s. c 7 s 507 (uncodified) is amended to
5 read as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
7 **DISTRICTS**

8	General Fund--State Appropriation (FY 2012)	\$7,894,000
9	General Fund--State Appropriation (FY 2013)	(\$7,912,000)
10		<u>\$7,895,000</u>
11	TOTAL APPROPRIATION	(\$15,806,000)
12		<u>\$15,789,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) The educational service districts shall continue to furnish
16 financial services required by the superintendent of public instruction
17 and RCW 28A.310.190 (3) and (4).

18 (2) Funding within this section is provided for regional
19 professional development related to mathematics and science curriculum
20 and instructional strategies. Funding shall be distributed among the
21 educational service districts in the same proportion as distributions
22 in the 2007-2009 biennium. Each educational service district shall use
23 this funding solely for salary and benefits for a certificated
24 instructional staff with expertise in the appropriate subject matter
25 and in professional development delivery, and for travel, materials,
26 and other expenditures related to providing regional professional
27 development support.

28 (3) The educational service districts, at the request of the state
29 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may
30 receive and screen applications for school accreditation, conduct
31 school accreditation site visits pursuant to state board of education
32 rules, and submit to the state board of education post-site visit
33 recommendations for school accreditation. The educational service
34 districts may assess a cooperative service fee to recover actual plus
35 reasonable indirect costs for the purposes of this subsection.

1 **Sec. 1509.** 2012 2nd sp.s. c 7 s 508 (uncodified) is amended to
2 read as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
4 **ASSISTANCE**

5	General Fund--State Appropriation (FY 2012)	\$300,768,000
6	General Fund--State Appropriation (FY 2013)	(\$298,166,000)
7		<u>\$299,537,000</u>
8	General Fund--Federal Appropriation	\$4,400,000
9	TOTAL APPROPRIATION	(\$603,334,000)
10		<u>\$604,705,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: For purposes of RCW 84.52.0531, the
13 increase per full-time equivalent student is 3 percent from the 2010-11
14 school year to the 2011-12 school year and 5 percent from the 2011-12
15 school year to the 2012-13 school year.

16 **Sec. 1510.** 2012 2nd sp.s. c 7 s 509 (uncodified) is amended to
17 read as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
19 **EDUCATION PROGRAMS**

20	General Fund--State Appropriation (FY 2012)	\$16,694,000
21	General Fund--State Appropriation (FY 2013)	(\$15,867,000)
22		<u>\$14,547,000</u>
23	TOTAL APPROPRIATION	(\$32,561,000)
24		<u>\$31,241,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1) Each general fund--state fiscal year appropriation includes
28 such funds as are necessary to complete the school year ending in the
29 fiscal year and for prior fiscal year adjustments.

30 (2) State funding provided under this section is based on salaries
31 and other expenditures for a 220-day school year. The superintendent
32 of public instruction shall monitor school district expenditure plans
33 for institutional education programs to ensure that districts plan for
34 a full-time summer program.

35 (3) State funding for each institutional education program shall be
36 based on the institution's annual average full-time equivalent student

1 enrollment. Staffing ratios for each category of institution shall
2 remain the same as those funded in the 1995-97 biennium.

3 (4) The funded staffing ratios for education programs for juveniles
4 age 18 or less in department of corrections facilities shall be the
5 same as those provided in the 1997-99 biennium.

6 (5) \$586,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$549,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely to maintain at least one
9 certificated instructional staff and related support services at an
10 institution whenever the K-12 enrollment is not sufficient to support
11 one full-time equivalent certificated instructional staff to furnish
12 the educational program. The following types of institutions are
13 included: Residential programs under the department of social and
14 health services for developmentally disabled juveniles, programs for
15 juveniles under the department of corrections, programs for juveniles
16 under the juvenile rehabilitation administration, and programs for
17 juveniles operated by city and county jails.

18 (6) Ten percent of the funds allocated for each institution may be
19 carried over from one year to the next.

20 **Sec. 1511.** 2012 2nd sp.s. c 7 s 510 (uncodified) is amended to
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
23 **CAPABLE STUDENTS**

24	General Fund--State Appropriation (FY 2012)	\$8,745,000
25	General Fund--State Appropriation (FY 2013)	(\$8,788,000)
26		<u>\$9,159,000</u>
27	TOTAL APPROPRIATION	(\$17,533,000)
28		<u>\$17,904,000</u>

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) Each general fund fiscal year appropriation includes such funds
32 as are necessary to complete the school year ending in the fiscal year
33 and for prior fiscal year adjustments.

34 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
35 shall allocate funding to school district programs for highly capable
36 students as provided in RCW 28A.150.260(10)(c). In calculating the
37 allocations, the superintendent shall assume the following: (i)

1 Additional instruction of 2.1590 hours per week per funded highly
2 capable program student; (ii) fifteen highly capable program students
3 per teacher; (iii) 36 instructional weeks per year; (iv) 900
4 instructional hours per teacher; and (v) the district's average staff
5 mix and compensation rates as provided in sections 503 and 504 of this
6 act.

7 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
8 allocate funding to school districts programs for highly capable
9 students as provided in section 511, chapter 564, Laws of 2009, as
10 amended through section 1409 of this act.

11 (3) \$85,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$85,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for the centrum program at Fort
14 Worden state park.

15 **Sec. 1512.** 2012 2nd sp.s. c 7 s 512 (uncodified) is amended to
16 read as follows:

17 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
18 **BILINGUAL PROGRAMS**

19	General Fund--State Appropriation (FY 2012)	\$79,575,000
20	General Fund--State Appropriation (FY 2013)	(\$80,666,000)
21		<u>\$83,896,000</u>
22	General Fund--Federal Appropriation	\$71,001,000
23	TOTAL APPROPRIATION	(\$231,242,000)
24		<u>\$234,472,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1) Each general fund fiscal year appropriation includes such funds
28 as are necessary to complete the school year ending in the fiscal year
29 and for prior fiscal year adjustments.

30 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
31 shall allocate funding to school districts for transitional bilingual
32 programs as provided in RCW 28A.150.260(10)(b). In calculating the
33 allocations, the superintendent shall assume the following averages:
34 (i) Additional instruction of 4.7780 hours per week per transitional
35 bilingual program student; (ii) fifteen transitional bilingual program
36 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
37

1 instructional hours per teacher; and (v) the district's average staff
2 mix and compensation rates as provided in sections 503 and 504 of this
3 act.

4 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
5 allocate funding to school districts for transitional bilingual
6 instruction programs as provided in section 514, chapter 564, Laws of
7 2009, as amended through section 1411 of this act.

8 (c) The allocations in this section reflect the implementation of
9 a new funding formula for the transitional bilingual instructional
10 program, effective September 1, 2011, as specified in RCW
11 28A.150.260(10)(b).

12 (3) The superintendent may withhold allocations to school districts
13 in subsection (2) of this section solely for the central provision of
14 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
15 following amounts: 2.79 percent for school year 2011-12 and 2.11
16 percent for school year 2012-13.

17 (4) The general fund--federal appropriation in this section is for
18 migrant education under Title I Part C and English language
19 acquisition, and language enhancement grants under Title III of the
20 elementary and secondary education act.

21 (5) In preparing its 2013-15 biennial budget request, the office of
22 the superintendent of public instruction shall (~~prepare -- for~~
23 ~~implementation--of~~) propose a funding model for the transitional
24 bilingual program, beginning in school year 2013-14, that is scaled to
25 provide more support to students requiring most intensive intervention,
26 (students with beginning levels of English language proficiency) and
27 less support to students requiring less intervention. The (~~funding~~
28 ~~model~~) proposal shall also provide up to two years of bonus funding
29 upon successful exit from the bilingual program to facilitate
30 successful transition to a standard program of education.

31 \$35,000 of the general fund--state appropriation for fiscal year
32 2012 and \$35,000 of the general fund--state appropriation for fiscal
33 year 2013 are provided solely to track current and former transitional
34 bilingual program students.

35 **Sec. 1513.** 2012 2nd sp.s. c 7 s 513 (uncodified) is amended to
36 read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
2 **ASSISTANCE PROGRAM**

3	General Fund--State Appropriation (FY 2012)	\$102,619,000
4	General Fund--State Appropriation (FY 2013)	(\$128,779,000)
5		<u>\$127,422,000</u>
6	General Fund--Federal Appropriation	(\$492,207,000)
7		<u>\$496,207,000</u>
8	Education Legacy Trust Account--State	
9	Appropriation	\$23,990,000
10	TOTAL APPROPRIATION	(\$747,595,000)
11		<u>\$750,238,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) The general fund--state appropriations in this section are
15 subject to the following conditions and limitations:

16 (a) The appropriations include such funds as are necessary to
17 complete the school year ending in the fiscal year and for prior fiscal
18 year adjustments.

19 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
20 shall allocate funding to school districts for learning assistance
21 programs as provided in RCW 28A.150.260(10)(a). In calculating the
22 allocations, the superintendent shall assume the following averages:
23 (A) Additional instruction of 1.51560 hours per week per funded
24 learning assistance program student; (B) fifteen learning assistance
25 program students per teacher; (C) 36 instructional weeks per year; (D)
26 900 instructional hours per teacher; and (E) the district's average
27 staff mix and compensation rates as provided in sections 503 and 504 of
28 this act.

29 (ii) From July 1, 2011, to August 31, 2011, the superintendent
30 shall allocate funding to school districts for learning assistance
31 programs as provided in section 515, chapter 564, Laws of 2009, as
32 amended through section 1412 of this act.

33 (c) A school district's funded students for the learning assistance
34 program shall be the sum of the district's full-time equivalent
35 enrollment in grades K-12 for the prior school year multiplied by the
36 district's percentage of October headcount enrollment in grades K-12
37 eligible for free or reduced price lunch in the prior school year.

1 (2) Allocations made pursuant to subsection (1) of this section
2 shall be adjusted to reflect ineligible applications identified through
3 the annual income verification process required by the national school
4 lunch program, as recommended in the report of the state auditor on the
5 learning assistance program dated February, 2010.

6 (3) The general fund--federal appropriation in this section is
7 provided for Title I Part A allocations of the no child left behind act
8 of 2001.

9 (4) A school district may carry over from one year to the next up
10 to 10 percent of the general fund-state or education legacy trust funds
11 allocated under this program; however, carryover funds shall be
12 expended for the learning assistance program.

13 (5) The office of the superintendent of public instruction shall
14 research and recommend options for an adjustment factor for middle
15 school and high school free and reduced price lunch eligibility
16 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
17 to the fiscal committees of the legislature by June 1, 2012. For the
18 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

19 **Sec. 1514.** 2012 2nd sp.s. c 7 s 514 (uncodified) is amended to
20 read as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

22 (1) Amounts distributed to districts by the superintendent through
23 part V of this act are for allocations purposes only and do not entitle
24 a particular district, district employee, or student to a specific
25 service, beyond what has been expressly provided in statute. Part V of
26 this act restates the requirements of various sections of Title 28A
27 RCW. If any conflict exists, the provisions of Title 28A RCW control
28 unless this act explicitly states that it is providing an enhancement.

29 Any amounts provided in part V of this act in excess of the amounts
30 required by Title 28A RCW provided in statute, are not within the
31 program of basic education.

32 (2) To the maximum extent practicable, when adopting new or revised
33 rules or policies relating to the administration of allocations in part
34 V of this act that result in fiscal impact, the office of the
35 superintendent of public instruction shall attempt to seek legislative
36 approval through the budget request process.

1 (3) Appropriations made in this act to the office of the
2 superintendent of public instruction shall initially be allotted as
3 required by this act. Subsequent allotment modifications shall not
4 include transfers of moneys between sections of this act except as
5 expressly provided in subsection (4) of this section.

6 (4) The appropriations to the office of the superintendent of
7 public instruction in this act shall be expended for the programs and
8 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,
9 unless specifically prohibited by this act and after approval by the
10 director of financial management, the superintendent of public
11 instruction may transfer state general fund appropriations for fiscal
12 year (~~(2012)~~) 2013 among the following programs to meet the
13 apportionment schedule for a specified formula in another of these
14 programs: General apportionment; employee compensation adjustments;
15 pupil transportation; special education programs; institutional
16 education programs; transitional bilingual programs; highly capable;
17 and learning assistance programs.

18 (5) The director of financial management shall notify the
19 appropriate legislative fiscal committees in writing prior to approving
20 any allotment modifications or transfers under this section.

(End of part)

PART XVI
HIGHER EDUCATION

Sec. 1601. 2012 2nd sp.s. c 7 s 602 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2012)	\$201,226,000
General Fund--State Appropriation (FY 2013)	\$201,612,000
Education Legacy Trust Account--State Appropriation	\$18,579,000
Economic Development Strategic Reserve Account--	
State Appropriation	\$1,500,000
Biotoxin Account--State Appropriation	(\$450,000)
	<u>\$350,000</u>
Accident Account--State Appropriation	\$6,681,000
Medical Aid Account--State Appropriation	\$6,488,000
TOTAL APPROPRIATION	(\$436,536,000)
	<u>\$436,436,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$150,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to Washington State University for WWAMI program expansion in Spokane and eastern Washington.

(3) \$52,000 of the general fund--state appropriation for fiscal year 2012 and \$52,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the center for international trade in forest products in the college of forest resources.

(4) \$88,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for implementation of Engrossed Second

1 Substitute Senate Bill No. 5485 (state's natural resources). If the
2 bill is not enacted by June 30, 2011, the amount provided in this
3 subsection shall lapse.

4 (5) \$143,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$144,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the ongoing management of the
7 Washington park arboretum.

8 (6) \$3,800,000 of the general fund--state appropriation for fiscal
9 year 2013 is provided solely for an expansion in engineering
10 enrollments, including enrollments in the field of computer science.
11 Amounts provided in this subsection may be used only to cover direct
12 costs of instruction associated with this enrollment expansion. By
13 June 30, 2012, the university shall provide a report to the legislature
14 that provides specific detail on how these amounts will be spent. Each
15 September 1st thereafter, the university shall provide an updated
16 report that provides specific detail on how these amounts were spent in
17 the preceding twelve months.

18 (7) Amounts appropriated in this section are sufficient for the
19 university to conduct a comprehensive review of its tuition waiver
20 policies. The resulting report shall include an overview of tuition
21 waiver uses and costs (forgone revenue) and outcomes and any
22 recommendations for changes to tuition waiver policy and shall be
23 provided to the legislature no later than December 1, 2012.

24 (8) \$610,000 of the general fund--state appropriation for fiscal
25 year 2012 is provided solely to expand health sciences capacity at the
26 University of Washington for Washington, Wyoming, Alaska, Montana,
27 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for
28 fiscal year 2012 is provided solely to expand health sciences capacity
29 at the University of Washington for Regional Initiatives in Dental
30 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full
31 ramp-up of first-year medical students and dental students each year of
32 the four-year programs.

33 (9) The University of Washington shall not use funds appropriated
34 in this section to support intercollegiate athletics programs.

35 (10) Amounts appropriated in this section are sufficient to cover
36 the costs associated with the implementation of Engrossed Substitute
37 Senate Bill No. 6486 (collective bargaining for post-doctoral
38 researchers).

1 with family incomes between 61 and 65 percent MFI; and 50 percent for
2 students with family incomes between 66 and 70 percent MFI.

3 (3) \$1,250,000 of the general fund--state appropriation for fiscal
4 year 2013 is provided solely for implementation of the aerospace
5 training scholarship and student loan program as specified in Engrossed
6 Substitute House Bill No. 1846 (aerospace student loans). If the bill
7 is not enacted by June 30, 2012, the amount provided in this subsection
8 shall lapse.

9 (4) For fiscal year 2013, the board shall defer loan or conditional
10 scholarship repayments to the future teachers conditional scholarship
11 and loan repayment program for up to one year for each participant if
12 the participant has shown evidence of efforts to find a teaching job
13 but has been unable to secure a teaching job per the requirements of
14 the program.

15 (5) \$1,000,000 of the education legacy trust account--state
16 appropriation is provided solely for the gaining early awareness and
17 readiness for undergraduate programs project.

18 (6) \$1,500,000 of the general fund--state appropriation for fiscal
19 year 2013 is provided solely for the leadership 1000 program.

20 (7) \$2,436,000 of the general fund--state appropriation for fiscal
21 year 2013 is provided solely for the passport to college program. The
22 maximum scholarship award shall be \$5,000. The board shall contract
23 with a nonprofit organization to provide support services to increase
24 student completion in their postsecondary program and shall, under this
25 contract, provide a minimum of \$500,000 in fiscal year 2013 for this
26 purpose.

27 (8) In addition to the entities listed in RCW 28B.122.010, the
28 aerospace student loan program may provide loans to students attending
29 an aerospace training program at Renton technical college.

30 (9) The office of student financial assistance and the department
31 of health shall prioritize a portion of any nonfederal balances in the
32 health professional loan repayment and scholarship fund for conditional
33 loan repayment contracts with psychiatrists and with advanced
34 registered nurse practitioners for work at one of the state-operated
35 psychiatric hospitals. The office and department shall designate the
36 state hospitals as health professional shortage areas if necessary for
37 this purpose. The office of student financial assistance shall
38 coordinate with the department of social and health services to

1 effectively incorporate these conditional loan repayments into the
2 department's advanced psychiatric professional recruitment and
3 retention strategies.

4 (10) \$50,000 of the amount provided in this section shall be used
5 to convene the higher education loan program work group. The work
6 group shall develop methods for funding the loan program in the future,
7 as well as recommendations regarding the best loan program structure
8 for providing financial aid to underserved populations. The work group
9 shall seek out technical advice from the housing finance commission.
10 At a minimum, the recommendations regarding the proposed loan program
11 must take into account the following: Whether students could benefit
12 from the creation of a new student loan program; the relationship
13 between the student loan program and the state need grant program and
14 the state need grant qualified student population; mechanisms to
15 achieve interest rates that are below those offered in federally
16 guaranteed and private bank student loans; sources of initial and
17 on-going funding for loans and program operation; and default risks,
18 reserve requirements, and other conditions required for the student
19 loan program. The work group shall provide a report to the legislature
20 no later than December 1, 2012.

21 **Sec. 1603.** 2012 2nd sp.s. c 7 s 615 (uncodified) is amended to
22 read as follows:

23 **FOR THE DEPARTMENT OF EARLY LEARNING**

24	General Fund--State Appropriation (FY 2012)	\$25,497,000
25	General Fund--State Appropriation (FY 2013)	(\$27,190,000)
26		<u>\$27,379,000</u>
27	General Fund--Federal Appropriation	\$280,619,000
28	Opportunity Pathways Account--State Appropriation	\$78,000,000
29	Home Visiting Services Account--Federal Appropriation	\$300,000
30	<u>Children's Trust Account--State Appropriation</u>	<u>\$142,000</u>
31	TOTAL APPROPRIATION	(\$411,606,000)
32		<u>\$411,937,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations:

35 (1) \$16,028,000 of the general fund--state appropriation for fiscal
36 year 2012, \$18,028,000 of the general fund--state appropriation of
37 fiscal year 2013, \$78,000,000 of the opportunity pathways account

1 appropriation, and \$2,256,000 of the general fund--federal
2 appropriation are provided solely for the early childhood education
3 assistance program services. Of these amounts, \$10,284,000 is a
4 portion of the biennial amount of state maintenance of effort dollars
5 required to receive federal child care and development fund grant
6 dollars.

7 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
8 department is authorized to increase child care center and child care
9 family home licensure fees in fiscal years 2012 and 2013 for costs to
10 the department for the licensure activity, including costs of necessary
11 inspection. These increases are necessary to support expenditures
12 authorized in this section.

13 (3) \$64,000 of the general fund--state appropriation for fiscal
14 year 2012, \$638,000 of the general fund--state appropriation for fiscal
15 year 2013, and \$574,000 of the general fund--federal appropriation are
16 provided solely for child care resource and referral network services.

17 (4) \$200,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$200,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely to develop and provide culturally
20 relevant supports for parents, family, and other caregivers.

21 (5) The department is the lead agency for and recipient of the
22 federal child care and development fund grant. Amounts within this
23 grant shall be used to fund child care licensing, quality initiatives,
24 agency administration, and other costs associated with child care
25 subsidies. The department shall transfer a portion of this grant to
26 the department of social and health services to fund the child care
27 subsidies paid by the department of social and health services on
28 behalf of the department of early learning.

29 (6) The appropriations in this section reflect reductions in the
30 appropriations for the department's administrative expenses. It is the
31 intent of the legislature that these reductions shall be achieved, to
32 the greatest extent possible, by reducing those administrative costs
33 that do not affect direct client services or direct service delivery or
34 program.

35 (7) \$934,000 of the general fund--state appropriation for fiscal
36 year 2012, \$934,000 of the general fund--state appropriation for fiscal
37 year 2013, and \$2,400,000 of the general fund--federal appropriation

1 are provided solely for expenditure into the home visiting services
2 account. This funding is intended to meet federal maintenance of
3 effort requirements and to secure private matching funds.

4 (a) All federal funds received by the department for home visiting
5 activities must be deposited into the home visiting services account.

6 (b) The department must consult with stakeholders during the
7 development of the Washington home visiting plan and any future
8 proposals for federal funding.

9 (c) No more than \$300,000 of the home visiting services account--
10 federal appropriation may be expended for program administration for
11 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be
12 expended for that purpose.

13 (8)(a) \$153,558,000 of the general fund--federal appropriation is
14 provided solely for the working connections child care program under
15 RCW 43.215.135.

16 (b) In addition to groups that were given prioritized access to the
17 working connections child care program effective March 1, 2011, the
18 department shall also give prioritized access into the program to
19 families in which a parent of a child in care is a minor who is not
20 living with a parent or guardian and who is a full-time student in a
21 high school that has a school-sponsored on-site child care center.

22 (9)(a) \$50,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$1,050,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for implementation and
25 administration of an electronic benefit transfer system. The system
26 shall include electronic time keeping, integrated with an eligibility
27 information technology system, and an electronic payment system. The
28 department shall coordinate implementation of this system with the
29 department of social and health services.

30 (b) \$100,000 of the general fund--state appropriation in this
31 subsection is provided solely for the department to contract for an
32 independent consultant to evaluate and recommend the optimum system for
33 the eligibility determination process. The evaluation must include an
34 analysis of lean management processes that, if adopted, could improve
35 the cost effectiveness and delivery of eligibility determination. The
36 department shall coordinate with the department of social and health
37 services for this evaluation. The department must report to the office

1 of financial management and the appropriate fiscal and policy
2 committees of the legislature by December 1, 2012.

3 (10) Within available amounts, the department in consultation with
4 the office of financial management and the department of social and
5 health services shall report quarterly enrollments and active caseload
6 for the working connections child care program to the legislative
7 fiscal committees and the legislative-executive WorkFirst oversight
8 task force. The report shall also identify the number of cases
9 participating in both temporary assistance for needy families and
10 working connections child care.

11 (11) \$1,025,000 of the general fund--state appropriation for fiscal
12 year 2013 and \$6,712,000 of the general fund--federal appropriation are
13 provided solely for the seasonal child care program in fiscal year
14 2013.

15 (12) \$2,522,000 of the general fund--state appropriation for fiscal
16 year 2012, \$2,522,000 of the general fund--state appropriation for
17 fiscal year 2013, and \$4,304,000 of the general fund--federal
18 appropriation are provided solely for the medicaid treatment child care
19 (MTCC) program. The department shall contract for MTCC services to
20 provide therapeutic child care and other specialized treatment services
21 to abused, neglected, at-risk, and/or drug-affected children. Priority
22 for services shall be given to children referred from the department of
23 social and health services children's administration. In addition to
24 referrals made by children's administration, the department shall
25 authorize services for children referred to the MTCC program, as long
26 as the children meet the eligibility requirements as outlined in the
27 Washington state plan for the MTCC program. Of the amounts
28 appropriated in this subsection, \$60,000 per fiscal year may be used by
29 the department for administering the MTCC program, if needed.

30 (13)(a) The department shall establish a birth-to-three
31 subcommittee of the early learning advisory council. The subcommittee
32 will be cochaired by the department and nongovernmental private-public
33 partnership created in RCW 43.215.070. The subcommittee shall include
34 at least one representative from each of the following:

- 35 (i) The early learning advisory council;
- 36 (ii) The office of the superintendent of public instruction;
- 37 (iii) The department of social and health services;
- 38 (iv) The department of early learning;

1 (v) The nongovernmental private-public partnership created in RCW
2 43.215.070;

3 (vi) The early learning action alliance; and

4 (vii) Additional stakeholders with expertise in birth-to-three
5 policy and programs and quality child care, as designated by the early
6 learning advisory council.

7 (b) The subcommittee may convene advisory subgroups on specific
8 topics as necessary to assure participation and input from a broad
9 array of diverse stakeholders.

10 (c) The subcommittee shall be monitored and overseen by the early
11 learning advisory council created in RCW 43.215.090.

12 (d) The subcommittee shall develop a birth-to-three implementation
13 proposal, which shall include further development of the Washington
14 state birth-to-three plan.

15 (e) The subcommittee must include recommendations on the following
16 in its birth-to-three proposal:

17 (i) Eligibility criteria for providers and programs;

18 (ii) The level of funding necessary to implement birth-to-three
19 programs, including an option which makes available funding equivalent
20 to thirty percent of the funding provided for the program of early
21 learning established in RCW 43.215.141;

22 (iii) Options for funding sources for birth-to-three programs;

23 (iv) Governance responsibilities for the department of early
24 learning; and

25 (v) A timeline for implementation that is concurrent with the
26 expansion to the early learning program outlined in RCW 43.215.142.

27 The subcommittee must present its recommendations to the early
28 learning advisory council and the appropriate committees of the
29 legislature by December 1, 2012.

30 (14) \$300,000 of the general fund--federal appropriation is
31 provided solely for a contract with a nonprofit entity experienced in
32 the provision of promoting early literacy for children through
33 pediatric office visits.

34 **Sec. 1604.** 2012 2nd sp.s. c 7 s 616 (uncodified) is amended to
35 read as follows:

36 **FOR THE STATE SCHOOL FOR THE BLIND**

37 General Fund--State Appropriation (FY 2012) \$5,776,000

1 General Fund--State Appropriation (FY 2013) (~~(\$5,671,000)~~)
2 \$5,691,000
3 TOTAL APPROPRIATION (~~(\$11,447,000)~~)
4 \$11,467,000

5 **Sec. 1605.** 2012 2nd sp.s. c 7 s 617 (uncodified) is amended to
6 read as follows:

7 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
8 **LOSS**

9 General Fund--State Appropriation (FY 2012) \$8,439,000
10 General Fund--State Appropriation (FY 2013) (~~(\$8,335,000)~~)
11 \$8,431,000
12 TOTAL APPROPRIATION (~~(\$16,774,000)~~)
13 \$16,870,000

(End of part)

PART XVII

SPECIAL APPROPRIATIONS

Sec. 1701. 2012 2nd sp.s. c 7 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2012)	. . . . .	\$911,643,000
General Fund--State Appropriation (FY 2013)	. . . . .	(( \$949,349,000))
		<u>\$936,965,000</u>
State Building Construction Account--State		
Appropriation	. . . . .	(( \$3,866,000))
		<u>\$5,016,000</u>
Columbia River Basin Water Supply Development		
Account--State Appropriation	. . . . .	(( \$121,000))
		<u>\$220,000</u>
Hood Canal Aquatic Rehabilitation Bond Account--State		
Appropriation	. . . . .	(( \$4,000))
		<u>\$5,000</u>
State Taxable Building Construction Account--State		
Appropriation	. . . . .	(( \$90,000))
		<u>\$71,000</u>
Gardner-Evans Higher Education Construction		
Account--State Appropriation	. . . . .	(( \$13,000))
		<u>\$23,000</u>
Debt-Limit Reimbursable Bond Retire Account--State		
Appropriation	. . . . .	(( \$2,300,000))
		<u>\$2,299,000</u>
TOTAL APPROPRIATION	. . . . .	(( \$1,867,386,000))
		<u>\$1,856,242,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

1 **Sec. 1702.** 2012 2nd sp.s. c 7 s 702 (uncodified) is amended to
2 read as follows:

3 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
4 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**
5 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

6	General Fund--State Appropriation (FY 2012)	\$27,400,000
7	General Fund--State Appropriation (FY 2013)	\$30,572,000
8	Nondebt-Limit Reimbursable Bond Retirement	
9	Account--State Appropriation	(\$140,128,000)
10		<u>\$137,290,000</u>
11	TOTAL APPROPRIATION	(\$198,100,000)
12		<u>\$195,262,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: The general fund appropriation is for
15 expenditure into the nondebt-limit general fund bond retirement
16 account. The entire general fund--state appropriation for fiscal year
17 2012 shall be expended into the nondebt-limit general fund bond
18 retirement account by June 30, 2012.

19 **Sec. 1703.** 2011 2nd sp.s. c 9 s 703 (uncodified) is amended to
20 read as follows:

21 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
22 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

23	General Fund--State Appropriation (FY 2012)	\$1,357,000
24	General Fund--State Appropriation (FY 2013)	(\$1,357,000)
25		<u>\$616,000</u>
26	State Building Construction Account--State	
27	Appropriation	(\$356,000)
28		<u>\$697,000</u>
29	Columbia River Basin Water Supply Development	
30	Account--State Appropriation	\$21,000
31	Hood Canal Aquatic Rehabilitation Bond Account--State	
32	Appropriation	\$1,000
33	State Taxable Building Construction Account--State	
34	Appropriation	(\$25,000)
35		<u>\$31,000</u>
36	Gardner-Evans Higher Education Construction	
37	Account--State Appropriation	(\$2,000)

1 \$3,000
 2 TOTAL APPROPRIATION ((~~\$3,119,000~~))
 3 \$2,726,000

4 **Sec. 1704.** 2012 2nd sp.s. c 7 s 707 (uncodified) is amended to
 5 read as follows:

6 **FOR SUNDRY CLAIMS**

7 The following sums, or so much thereof as may be necessary, are
 8 appropriated from the general fund for fiscal year 2012, unless
 9 otherwise indicated, for relief of various individuals, firms, and
 10 corporations for sundry claims. These appropriations are to be
 11 disbursed on vouchers approved by the director of financial management,
 12 except as otherwise provided, for reimbursement of criminal defendants
 13 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as
 14 follows:

- 15 (1) Clint L. Powell, Jr., claim number 99970048 \$58,155.10
- 16 (2) Chance L. Hawkins, claim number 99970049 \$28,838.95
- 17 (3) Edgar L. Hawkins, claim number 99970050 \$25,507.00
- 18 (4) James Abbott, claim number 99970051 \$9,880.00
- 19 (5) Richard Frisk, claim number 99970052 \$32,788.50
- 20 (6) Brian Barnd-Spjut, claim number 99970053 \$122,821.79
- 21 (7) Dwijen Buckendorf, claim number 99970059 \$2,100.00
- 22 (8) Todd Chism, claim number 99970061 \$56,183.26
- 23 (9) James Glasco, claim number 99970062 \$18,800.00
- 24 (10) David Holtzclaw, claim number 99970057 \$15,154.52
- 25 (11) Gary Richey, claim number 99970063 \$9,020.00
- 26 (12) Shelly Porter, claim number 99970054 \$12,525.72
- 27 (13) Yakov Topik, claim number 99970047 \$28,500.00
- 28 (14) Luther Wallace, claim number 99970060 \$76,256.93
- 29 (15) Mark Fenton, claim number 99970064 \$27,637.50
- 30 (16) Reid Woods, claim number 99970065 \$7,296.38
- 31 (17) Thurman Young, claim number 99970066 \$62,399.42
- 32 (18) James Daniel Emmett, claim number 99970067 \$9,000.00

33 NEW SECTION. **Sec. 1705.** A new section is added to 2011 1st sp.s.
 34 c 50 (uncodified) to read as follows:

35 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**

1 **COSTS**

2 General Fund--State Appropriation (FY 2013) \$728,000

3 The appropriation in this section is subject to the following
4 conditions and limitations: The director of financial management shall
5 distribute \$545,000 to Grant County and \$183,000 to Yakima County for
6 extraordinary criminal justice costs.

(End of part)

PART XVIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1801. 2012 2nd sp.s. c 7 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions ((~~\$8,289,000~~))
\$7,774,000

General Fund Appropriation for public utility district excise tax distributions ((~~\$44,078,000~~))
\$49,864,000

General Fund Appropriation for prosecuting attorney distributions ((~~\$6,281,000~~))
\$5,805,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions ((~~\$58,000~~))
\$66,000

General Fund Appropriation for habitat conservation program distributions \$3,000,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$2,960,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$160,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((~~\$58,229,000~~))
\$61,175,000

County Criminal Justice Assistance Appropriation ((~~\$69,566,000~~))
\$69,531,000

Municipal Criminal Justice Assistance Appropriation ((~~\$26,843,000~~))
\$26,829,000

City-County Assistance Account Appropriation for local government financial assistance distribution ((~~\$12,159,000~~))

1		<u>\$13,988,000</u>
2	Liquor Excise Tax Account Appropriation for liquor	
3	excise tax distribution	\$25,617,000
4	Streamlined Sales and Use Tax Mitigation Account	
5	Appropriation for distribution to local taxing	
6	jurisdictions to mitigate the unintended revenue	
7	redistribution effect of the sourcing law	
8	changes	((\$49,309,000))
9		<u>\$49,000,000</u>
10	Columbia River Water Delivery Account Appropriation for	
11	the Confederated Tribes of the Colville	
12	Reservation	((\$7,478,000))
13		<u>\$7,481,000</u>
14	Columbia River Water Delivery Account Appropriation for	
15	the Spokane Tribe of Indians	((\$4,794,000))
16		<u>\$4,795,000</u>
17	Liquor Revolving Account Appropriation for liquor	
18	profits distribution	((\$85,132,000))
19		<u>\$96,253,000</u>
20	TOTAL APPROPRIATION	((\$407,953,000))
21		<u>\$428,298,000</u>

22 The total expenditures from the state treasury under the
23 appropriations in this section shall not exceed the funds available
24 under statutory distributions for the stated purposes.

25 **Sec. 1802.** 2012 2nd sp.s. c 7 s 802 (uncodified) is amended to
26 read as follows:

27 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
28 **ACCOUNT**

29	Impaired Driver Safety Account Appropriation	((\$2,439,000))
30		<u>\$2,422,000</u>

31 The appropriation in this section is subject to the following
32 conditions and limitations: The amount appropriated in this section
33 shall be distributed quarterly during the 2011-2013 fiscal biennium in
34 accordance with RCW 82.14.310. This funding is provided to counties
35 for the costs of implementing criminal justice legislation including,
36 but not limited to: Chapter 206, Laws of 1998 (drunk driving
37 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,

1 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
2 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
3 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
4 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
5 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
6 215, Laws of 1998 (DUI provisions).

7 **Sec. 1803.** 2012 2nd sp.s. c 7 s 803 (uncodified) is amended to
8 read as follows:

9 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
10 Impaired Driver Safety Account Appropriation ((~~\$1,626,000~~))
11 \$1,615,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The amount appropriated in this section
14 shall be distributed quarterly during the 2011-2013 biennium to all
15 cities ratably based on population as last determined by the office of
16 financial management. The distributions to any city that substantially
17 decriminalizes or repeals its criminal code after July 1, 1990, and
18 that does not reimburse the county for costs associated with criminal
19 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
20 which the city is located. This funding is provided to cities for the
21 costs of implementing criminal justice legislation including, but not
22 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
23 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
24 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
25 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
26 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
27 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
28 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
29 Laws of 1998 (DUI provisions).

30 **Sec. 1804.** 2011 1st sp.s. c 50 s 804 (uncodified) is amended to
31 read as follows:

32 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**
33 General Fund Appropriation for federal flood control
34 funds distribution ((~~\$74,000~~))
35 \$52,000
36 General Fund Appropriation for federal grazing fees

1	distribution	((\$2,430,000))
2		<u>\$1,747,000</u>
3	Forest Reserve Fund Appropriation for federal forest	
4	reserve fund distribution	((\$29,175,000))
5		<u>\$39,776,000</u>
6	TOTAL APPROPRIATION	((\$31,679,000))
7		<u>\$41,575,000</u>

8 The total expenditures from the state treasury under the
9 appropriations in this section shall not exceed the funds available
10 under statutory distributions for the stated purposes.

11 **Sec. 1805.** 2012 2nd sp.s. c 7 s 804 (uncodified) is amended to
12 read as follows:

13 **FOR THE STATE TREASURER--TRANSFERS**

14	State Treasurer's Service Account: For transfer to	
15	the state general fund, \$16,300,000	
16	for fiscal year 2012 and	
17	((\$24,800,000)) <u>\$26,600,000</u> for fiscal	
18	year 2013	((\$41,100,000))
19		<u>\$42,900,000</u>

20	Waste Reduction, Recycling, and Litter Control	
21	Account: For transfer to the state general	
22	fund, \$4,847,000 for fiscal year	
23	2012 and \$4,847,000 for fiscal year	
24	2013	\$9,694,000

25	Aquatics Lands Enhancement Account: For transfer to	
26	the state general fund, \$3,500,000 for fiscal	
27	year 2012 and \$3,500,000 for fiscal year 2013	\$7,000,000

28	Savings Incentive Account: For transfer to the state	
29	general fund, \$44,618,000 for fiscal year 2012	\$44,618,000

30	Distinguished Professorship Trust Fund: For transfer to	
31	the state general fund for fiscal year 2012, an amount	
32	not to exceed the actual cash balance of the fund	\$3,024,000

33	Washington Graduate Fellowship Trust Fund: For transfer	
34	to the state general fund for fiscal year 2012, an	
35	amount not to exceed the actual cash balance of	
36	the fund	\$1,028,000

37 College Faculty Awards Trust Fund: For transfer

1 to the state general fund for fiscal year 2012, an amount
2 not to exceed the actual cash balance of the fund . . . \$1,996,000
3 Data Processing Revolving Account: For transfer
4 to the state general fund, \$5,960,000 for fiscal
5 year 2012 \$5,960,000
6 Drinking Water Assistance Account: For transfer to
7 the drinking water assistance repayment account . . . \$38,000,000
8 Economic Development Strategic Reserve Account: For
9 transfer to the state general fund, \$2,100,000
10 for fiscal year 2012 and \$2,100,000 for fiscal
11 year 2013 \$4,200,000
12 General Fund: For transfer to the streamlined sales
13 and use tax account, \$24,520,000
14 for fiscal year 2012 and (~~(\$24,789,000)~~) \$24,480,000
15 for fiscal year 2013 (~~(\$49,309,000)~~)
16 \$49,000,000
17 Public Works Assistance Account: For transfer to the
18 water pollution control revolving account,
19 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
20 fiscal year 2013 \$15,500,000
21 The Charitable, Educational, Penal, and Reformatory
22 Institutions Account: For transfer to the state
23 general fund, \$4,500,000 for fiscal year 2012 and
24 \$4,500,000 for fiscal year 2013 \$9,000,000
25 Thurston County Capital Facilities Account: For
26 transfer to the state general fund, \$4,000,000
27 for fiscal year 2012 and \$4,000,000 for fiscal
28 year 2013 \$8,000,000
29 Public Works Assistance Account: For transfer to the
30 drinking water assistance account, \$10,000,000 for
31 fiscal year 2012 and \$5,000,000 for fiscal year
32 2013 \$15,000,000
33 Liquor Control Board Construction and Maintenance
34 Account: For transfer to the state general fund,
35 \$500,000 for fiscal year 2012 \$500,000
36 Education Savings Account: For transfer to the state
37 general fund, (~~(\$54,431,000 for fiscal~~
38 ~~year 2012)~~) an amount not to exceed the actual

1 cash balance of the fund \$54,431,000
2 Department of Retirement Systems Expense Account:
3 For transfer to the state general fund,
4 \$2,330,000 for fiscal year 2012 and
5 \$4,330,000 for fiscal year 2013 \$6,660,000
6 Education Construction Account: For transfer to the
7 state general fund, \$102,000,000 for fiscal year
8 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
9 Public Works Assistance Account: For transfer to the
10 state general fund, \$40,000,000
11 for fiscal year 2012 and \$40,000,000
12 for fiscal year 2013 \$80,000,000
13 Foster Care Endowed Scholarship Trust Fund: For transfer
14 to the state general fund, \$200,000 for fiscal year
15 2012 and \$200,000 for fiscal year 2013 \$400,000
16 Affordable Housing For All Account: For transfer to
17 the home security fund, \$1,000,000 for fiscal year
18 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
19 Tobacco Settlement Account: For transfer to the state
20 general fund, in an amount not to exceed the actual
21 amount of the annual base payment to the tobacco
22 settlement account \$158,205,000
23 Tobacco Settlement Account: For transfer to the basic
24 health plan stabilization account from the amounts
25 deposited in the account that are attributable to the
26 annual strategic contribution payment received in
27 fiscal year 2012 \$22,000,000
28 Tobacco Settlement Account: For transfer to the basic
29 health plan stabilization account from the amounts
30 deposited in the account that are attributable to the
31 annual strategic contribution payment received in
32 fiscal year 2013 \$22,000,000
33 Tobacco Settlement Account: For transfer to the life
34 sciences discovery fund, in an amount not to exceed
35 the actual remaining amount of the annual strategic
36 contribution payment to the tobacco settlement account
37 for fiscal year 2012 \$6,000,000
38 Tobacco Settlement Account: For transfer to the life

1 sciences discovery fund, in an amount not to exceed
2 the actual remaining amount of the annual strategic
3 contribution payment to the tobacco settlement account
4 for fiscal year 2013 \$6,000,000

5 The transfer to the life sciences discovery fund is subject to the
6 following conditions: All new grants awarded during the 2011-2013
7 fiscal biennium shall support and accelerate the commercialization of
8 an identifiable product.

9 Financial Services Regulation Fund: For transfer to
10 the state general fund, \$4,000,000 for fiscal
11 year 2012 \$4,000,000

12 State Nursery Revolving Account: For transfer to the
13 state general fund, \$250,000 for fiscal year 2012 and
14 \$250,000 for fiscal year 2013 \$500,000

15 Washington State Heritage Center Account: For transfer
16 to the state general fund, \$2,000,000 for fiscal
17 year 2013 \$2,000,000

18 Local Toxics Control Account: For transfer to the state
19 toxics control account, \$15,000,000 for fiscal
20 year 2012 and \$16,000,000 for fiscal year 2013 \$31,000,000

21 Coastal Protection Account: For transfer to the state
22 general fund, \$500,000 for fiscal year 2012 and
23 \$500,000 for fiscal year 2013 \$1,000,000

24 (~~Multimodal Transportation Account—State: For transfer
25 to the Public Transportation Grant Program Account
26 for the purposes of distributions of \$3,000,000 on
27 each of the last working days of December, March,
28 and June in fiscal year 2013 \$9,000,000~~)

29 Aquatic Lands Enhancement Account: For transfer to
30 the marine resources stewardship trust account,
31 \$2,100,000 for fiscal year 2013 \$2,100,000

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